FP Awards for Annual Reports: p. 25

The Financial Post

25 cents

Canada's National Weekly of Business, Investment and Public Affairs.

Vol. LIII Member of Audit Bureau of Circulations ★ Publication Office: Toronto, December 5, 1959 ★ Twenty-five Cents an issue, Eight Dollars a Year No. 49

Anti-Pollution Weapon

Through research sponsored by Canada's biggest industry, Canadians told the world this week about an important new weapon in the fight to save precious water resources. Our AST sewage disposal process has passed its test. Inventor of the low-cost technique is Dr. William H. Gauvin, head of the Chemical Engineering Division of the Pulp & Paper Institute of Canada, Montreal, and associate professor, chemical engineering, McGill University.

NATION'S BUSINESS

The Bankers See Good Business

Throughout most of 1960, interest rates are likely to remain close to today's high level or climb slightly, bank credit will continue to be very difficult to obtain, the economy as a whole will expand moderately.

That, in brief, is the outlook for the next year as predicted by bank officials currently holding annual meetings.

▸ The largest single force driving the economy upward next year, say the bankers, will be higher spending on new plants and new machinery. This expanded significantly in the second quarter of this year and there are indications that a further, if modest, expansion took place in the third quarter.

▸ With the maturing of the U. S. boom in 1960 and with sturdy growth likely in most important European countries, Canada's exports will rise reasonably steadily throughout 1960.

▸ Inventory accumulation will probably advance moderately over the next few quarters, giving industrial production and employment a boost. Indications are that business inventories were built up at an annual rate of about $300 million in the third quarter of this year—or at least by an amount well above the $212 million rate of the second quarter.

▸ Consumer spending will probably pick up with most of the increase taking place in nondurable goods and services. Scarce credit and a slower pace of housebuilding—perhaps 115,000 starts in 1960—may keep spending on durable items from growing as substantially. But, over-all, spending will likely stage a comeback after its third quarter pause of this year.

One banker, William F. Nicks, president of the Bank of Nova Scotia, sums up the outlook this way:

"Fixed capital programs may soon begin to add significantly to the strength of demand . . . and total value of exports, which has changed comparatively little over a period of more than three years, may now be moving definitely upward again."

About the monetary outlook, Douglas Gibson, general manager of the Bank of Nova Scotia, comments:

"I see no early prospect for any basic change in the financial climate . . . it seems probable that next year there will not be enough money to meet all the demands for credit and that an atmosphere of some stringency will continue."

Six Per Cent Gain in Output?

Putting today's prosperity in perspective, Allan Beckett of the University of Toronto's Institute of Business Administration recently told the American Marketing Association in Toronto:

"The 1959 business expansion has been more restrained in terms of physical production than periods like 1950-53 and 1954-57. Production is up about 4% compared with 8%-10% in 1950 and 1955. Employment is up 2% as against earlier gains of 4% and 10%. Retail sales are currently down a bit, compared with jumps of 5% and 16%, although this year's fourth quarter gains will most certainly show an improvement."

About the period ahead, he predicts that spending on new plant and equipment this year will exceed earlier intentions by about $200 million and in 1960 there will be a further rise of about $350 million, bringing the total well above 1957's record $8.7 billion.

Over-all expansion, spurred by spending on this scale, would bring Canada's gross national product to $36.5 billion or $37 billion by the end of 1960. This year's will probably be a record $35.7 billion.

Another example of the currently buoyant attitudes among businessmen about prospects for 1960 came this week from V. W. Scully, president of the Steel Co. of Canada:

"I believe that credit restrictions should be more noticeable in 1960 and that there may well be a slowing down in (some) business activity—housing for example. But our order position indicates that we will be pretty busy into the second quarter. And we are spending very large sums to expand our manufacturing facilities."

TREND TO WATCH

Canada Becoming 'New Switzerland' For World Firms?

Our list of big international holding companies shows a steady rise. They like our taxation and stability . . .

By W. L. DACK

Canada becoming a "North American Switzerland" for international business?

Here's a trend to watch: The list of big international operators setting up holding companies in Canada grows steadily.

They're using Canadian subsidiaries to "hold" big pieces of their world operations. They like our tax advantages and our stable government and financial institutions.

One of the latest: The big **Farbenfabriken Bayer,** German chemical giant.

A new Canadian company has been established — **Bayer Foreign Investments Ltd.** — to consolidate the interests of Bayer in North and South America, Africa and Western Europe.

The new Toronto-based company controls 71 Bayer subsidiaries, which this year will have total sales volume in excess of $100 million.

Here are a few others:

• **Canadian Shell Ltd.,** with head-office in Toronto, has centralized control of a major portion of the Shell Group western hemisphere holdings.

• **Mannesmann International Corp.,** an affiliate of the German steel and tube giant, **Mannesmann AG.,** Dusseldorf, has transferred its headquarters from New York to Sault Ste. Marie, Ont. It controls U. S., Brazilian and Canadian subsidiaries.

• **Patino of Canada,** international mining giant associated with Bolivian tin interests, has established a holding company in Canada, with Toronto headquarters, that's centralizing the company's far-flung mining operations.

The big factor attracting these holding firms to Canada: Taxation.

Under our income tax regulations, companies resident in Canada can bring into this country, tax-free, all dividends from foreign subsidiary operations in which they hold at least a 25% ownership interest.

Such companies in the U. S., for instance, would be fully taxed on foreign dividends.

But this tax advantage in itself would not be enough without Canada's record of political and financial stability.

Behind these company moves lies a confidence — not paralleled in the case of any other country — in continued freedom in money matters and fair tax treatment.

There are a few other considerations too, but they're relatively unimportant.

Bayer Foreign Investments is a Dominion incorporated company with a paid-in capital of $20 million. The board of directors includes four representatives of Bayer Germany, four Americans and one Canadian — E. W. Bickle of the investment firm of **Wills, Bickle & Co.,** Toronto.

Total 1958 sales volume of Farbenfabriken Bayer was $478 million — covering a varied list of chemicals and associated products (synthetic fibres, organic and inorganic chemicals, dyes, pigments and paints, soaps, cosmetics, fertilizers, plastics,

(Continued on page 8, col. 5)

Price Sliced In Nylon Yarn

By ERIC RICHTER

Major U. S. price cuts in a specialized type of nylon yarn have compelled **Du Pont Co. of Canada** to follow suit with a similar reduction.

The yarn involved: 15 denier nylon wound on large beams.

It is used in the women's wear industry for manufacture of textiles such as tricot blouse and underwear fabric.

In the U. S. Du Pont and **Chemstrand Corp.** dropped the price of this yarn $1.10 lb., or 21½%, to $4 lb.

Du Pont Co. of Canada has also reduced the yarn price $1.10 lb. But because of the higher base price, new Canadian price is $4.61 lb.

The U. S. price cuts, it is reported, were made to meet pressure from European imports.

While the U. S. and Canadian price cuts applied to 15 denier nylon on beams, similar yarn on spools and bobbins — sold to hosiery makers — is not affected.

Synthetic Textile Makers In-Fighting With Imports

MONTREAL (Staff)—Canadian shipments of synthetic textiles for 1959 are expected to reach 79 million yd., up 3.9% from 76 million in the previous year.

At the same time, due to rising imports, share of the Canadian market held by domestic producers in 1959 is expected to be below last year's.

Industry sources are estimating that in full year 1959 apparent Canadian demand for synthetics will be 117 million yd., up 5.4% from 111 million last year.

Imports are expected to climb to 39 million yd. compared with 36 million last year.

If the estimates are correct, this means that Canadian producers and foreign makers will split equally the increase in demand for synthetics that took place this year.

As a result, Canadian synthetic makers will be left with 66.7% of the domestic market compared with 67.6% last year.

In the first 10 months this year, Canadian shipments were 66.1 million yd. compared with 63.6 million yd. in corresponding 1958.

October shipments at 6.1 million yd. compare with 7.6 million in the previous month, but were lower than almost eight million shipped in October last year.

Two Big Changes In FP Directory

The 1959 edition of **FP's** Directory of Directors, just published, introduces two important changes:

• **The Directory** will be published annually, instead of biennially.

• **A completely new section** has been added listing key Canadian companies with addresses and the names and positions of their executive officers and directors.

The main section presents an enlarged list (10,300 names) of leading Canadian businessmen, with their executive positions and directorships in all fields of business including business and home addresses.

The alphabetical listing of Canadian companies in the second section includes the executive officers and directors, regardless of place of residence.

Copies are obtainable at $15 each from **FP,** 481 University Ave., Toronto.

STARTING this week in FP, a group of talented Canadians will mull over in print the strange, often amusing ways of modern life. A light column of comment . . . . . page 6

Ride or Not, You May Pay Transit Fee

By IAN BICKLE

SASKATOON —Stand by for attempts to revolutionize the financing of Canadian transit systems.

Saskatoon has given the cue.

Its Transit Board will discuss a "utility fee" that would yield funds for the system. The fee would be levied on all local citizens whether or not they ride the buses.

One example: Adding the fee to your power bill.

Other cities, hard-pressed to operate their public transportation facilities, are quietly studying the same measure.

"They're just waiting for the right moment," Saskatoon Transit Superintendent Burt Scharfe told **FP.**

"All of Canada's cities are now considering it," he reports, "and many will try to have it implemented."

New Orleans has had a utility fee scheme working for some time, and the idea "is gathering momentum in other parts of the U. S.," Scharfe says.

When Scharfe tossed out the utility fee idea at a Saskatoon Transit Board meeting last week, members were startled. They took no formal action except to agree to discuss it in early 1960.

The system faces what some sources predict will be a $150,000 deficit next year.

"We have to get the money from somewhere," Scharfe told **FP.** "Increased fares or increased tax rate are possibilities, but not very good ones."

"A utility fee would be much less painful," he commented.

How would the fee be assessed?

Increasing everybody's light bill looks like a good method to Saskatoon experts.

"A tie-in with the use of power would probably work," Scharfe told **FP.** "Everyone has a light meter and the utility fee could take the form of a few cents extra tagged on to the monthly bill."

Scharfe's "utility fee" proposal springs from an article by Edward A. Roberts in the Public Utilities Fortnightly, Washington, D.C.

Roberts said:

"People (pay a set rate) for electric, gas and telephone service.

"If the transit system were to receive as part of its rate structure a similar small monthly payment from each residential or famliy group to whom its service is available, the way would be opened for this beleaguered industry to increase rates and revenue without the simultaneous shifting of a large group of its passengers from buses to less desirable means of transportation.

"It should be emphasized that this proposal for financial relief is not a subsidization of a private transit company with public funds and is not socialistic in any sense.

"It merely puts the privately-owned transit company in the same position as the electric, gas, and telephone utilities with respect to a minimum monthly charge."

Personal Tax To Raise Cash For Transit?

Strong efforts are being made in the U. S. to come up with a scheme to raise money for transit systems.

A "Committee on Service Charge" met in New York and discussed these money-raising possibilities:

• **Parking meter fees** and gross receipts levies on private parking garages—tying the service charge in with a "traffic relief" angle for transit.

• **City auto license taxes,** collecting an additional amount to be used as a service charge "to hold down bus fares".

• **Drivers' license fees,** collecting an additional amount to cover the transit service charge.

• **State vehicle registration fees,** collecting an additional amount for the transit service charge.

• **Real estate or personal property taxes,** having city assess and collect the service charge along with the taxes, paying it to the transit company as a subsidy.

• **A tie-in with school fares,** where governmental units provide transportation for children from tax monies.

• **A straightforward "cents per mile service charge",** associated with a minimum level of service required by the community.

Don't Look For Price Cuts On Foodstuffs This Winter

By RAY MAGLADRY

Prices of farm products are heading toward year end generally on the high side.

One reason:

Lower production of several crops this year in both Canada and U. S., a reflection of dry summer weather and early fall rains and frosts.

Highlights of price movements and outlook:

• **Beef prices,** high for some time, may weaken only slightly in early 1960.

For stock raisers, it's a much better outlook than in U. S.

• **Wide range of vegetables** are likely to firm as season advances.

A highlight may be a strong price for potatoes as North American supply is well below last year.

Canadian potato crop may be 15% lower than last year, U. S. fall output down by 10% or more.

Other products, notably carrots, are in the same position, while U. S. overall fall vegetable output is reported to be about 12% below 1958, and 8% under last 10-year average.

• **Probable rise in fluid milk prices** to producers, firmness for dry skimmed milk as supply becomes manageable, and a firm market for cheese now selling well in export markets.

Countering these trends:

Continuing low prices for pork, perhaps more weakening after mid-January when the government changes its price support program to one of deficiency payments to producers.

STEADY PROGRESS

Waste Process Cost-Cutter For Industry

This all-Canadian technique moves into the practical stage — not only as a weapon against water pollution but as an original industrial process . . .

By JACK McARTHUR

MONTREAL (Staff)—An exciting new Canadian technique—with apparently vast potential in waste disposal and in a bewildering array of industrial processes—is moving from the experimental stage into the practical.

There's world-wide interest.

These are the main developments in the steady progress being made with the Atomized Suspension Technique (AST for short), developed by the Pulp & Paper Institute of Canada:

Signs & Portents

WATCH FOR announcement of a $7 million shopping centre in Halifax. **Webb & Knapp (Canada) Ltd.** is reported to be behind the project.

* * *

RUMORS of all sorts of shuffling of contracts by Canada's uranium producers are being whispered on Bay St., prompted by a feverish run of secret meetings (FP, Nov. 14). With tax problems being cleared rapidly, you can expect news of solid deals any day.

* * *

STAND BY for the award of a huge rail order from Mexico to Dosco. Financing has been a hitch in negotiations, **FP** understands, but U. K. capital has come to the rescue. By offering better terms, the U. S. nearly scuttled the big Canadian steel producer.

* * *

SQUARE PEAS with purple pods? It's possible, says A. W. S. Hunter, federal plant geneticist. In fact, purple pods have been bred to help growers locate pods among green leaves, but not square peas. "No practical advantage," he says. He's never chased the round kind across his plate.

• **The Montreal suburb of Beaconsfield** this week provisionally accepted and agreed to pay for the world's first AST municipal sewage treatment plant.

Many other Canadian and foreign towns are interestd.

National Welding Co.—which put in the Beaconsfield unit over a year ago—already is being asked for quotations by other Canadian communities.

The great hope is that this

(Continued on page 8, col. 3)

How They're Using Our AST Process

The Canadian-developed and licensed Atomized Suspension Technique bears much promise of becoming the broad base for an internationally important new industrial technology.

In addition to municipal sewage disposal, many other applications of AST are being studied — or will be — by private industry or the Pulp & Paper Research Institute of Canada.

Success in even a few of these would open a wide field for use of AST.

They include:

• **Recovery** of fresh water from brines.

• **Direct** reduction of iron oxides to native iron powder.

• **Extraction** of sulphur from iron pyrites.

• **Production** of uranium oxide from uranyl nitrate.

• **A number of applications** in output of primary chemicals are under active study. However, details haven't been revealed by companies involved.

• **Recovery** of chemicals (and heat in some cases) from a distillery, a vanillin plant, a synthetic fibre plant, a viscose plant, a metal pickling plant.

• **Anti-pollution measures** in meat packing, food processing, metal plating, petroleum refining, explosives manufacturing, de-inking in a pulp mill, textile processing, distilling, brewing, ammonia output, radioactive wastes.

• **Drying of wastes** from a cannery, a distillery, from foodstuffs and pharmaceuticals.

Some of these projects are well advanced (**FP,** June 6), though many remain confidential. Those publicized include:

▸ **A large AST plant at Sidney, O.,** being put up by the **Stolle Corp.** to handle cyanides and chromic salts from a Stolle metal plating operation. These are dumped into the Ohio River.

▸ **AST chemical and heat recovery** from neutral sulphite semichemical pulp mill of **Green Bay Pulp & Paper Co.** in Wisconsin.

▸ **Un-named U. S. chemical firm** is designing and will use a 10-ton-per-day unit to convert an old batch operation to a continuous, one-pass, AST process.

▸ **A Finnish kraft mill** will install an AST plant for recovery of chemicals.

Quebec Gets $16 Million Pigment Mill

By VINCE LUNNY

MONTREAL (Staff) — Work will start in Spring on a $16 million titanium pigment factory at Sorel, Que., providing a new source of an important raw material for the expanding Canadian paint industry.

The factory will be owned and operated by a new company, **British Titan Products (Canada) Ltd.,** a subsidiary of **British Titan Products Co.** (**FP,** Sept. 12).

Company has purchased a large tract of land — some of it from **Marine Industries Ltd.** — near the **Quebec Iron & Titanium Corp.** plant that will supply some 15,000 tons of titanium slag a year to British Titan.

Announcement of construction plans was to have been made in September when Chairman G. H. Beeby of the British parent company visited Montreal and was scheduled to confer with Premier Maurice Duplessis.

Sudden death of the Quebec government leader snarled the arrangements and Beeby returned to England without an official announcement ever having been made, although it was reported most likely site of the

(Continued on page 15, col. 4)

Make her Christmas wishes come true... Surround her in the luxury of dazzling white Russian Ermine from

EATON'S OF CANADA

The precious skins skilfully worked in a French Couturier design... spiral-effect sleeves, opera cuffs, a majestic collar. From a brilliant collection of Christmas furs at Eaton's

Executive decision...

Lancaster by **B.V.D.**

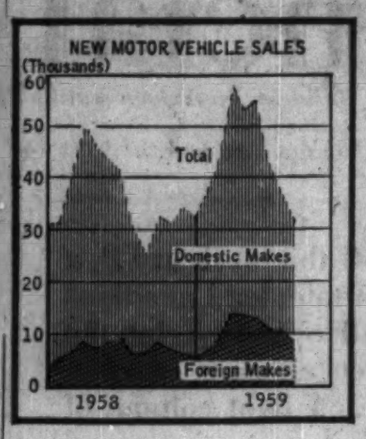
Shirts of distinction for men of faultless taste

Marks of excellence: the fine Sea Island Shirting, woven of long staple cotton fibres for soft luxury and a lustrous sheen ... the impeccable styling, featuring Kent fused collar, double cuffs ... the careful workmanship. Available wherever *fine* shirts are sold, at $7.50.

THE B.V.D. COMPANY LIMITED, MONTREAL

Trend of Business

New motor vehicle sales jumped 15.8% to 31,000 units in September from 26,761 a year ago. Month's sales included 9,202 British and European vehicles (6,170 last year). For first nine months this year sales total 399,151 units, up 16% from 344,124 last year. Included in this total are 92,321 imports, up some 49% from last year's 62,051. Nine-month retail value rose 15.6% to $94.5 million from $81.8 million.



Wholesale trade in September rose 8.9% to $704.5 million from $647.1 million last year, lifting nine months' total 9.9% to $6,199 million ($5,642 million). All specified trades except meat and dairy products and coal and coke reported increased sales in both periods, with largest gains registered by farm machinery sales.

More on the cuff. Balances outstanding on books of sales finance companies at end of September totaled $1,136 million, up 1.2% from month-earlier figure of $1,122 million and 5.9% ahead of $1,072 million a year ago. Cash personal loans and installment credit amounted to $453 million ($392 million a year earlier). Accounts receivable by department stores rose to $255 million ($236 million).

Farm implement sales bounce ahead 23% in first nine months this year to wholesale value of $205.6 million ($167.1 million last year). Sales were larger in all provinces except the Maritimes. Gains were recorded by wheel-type tractors for farm use, pull-type combines, self-propelled combines and automatic hay balers.

Canada's steel mills operated at rated capacity in week ended Nov. 21 to turn out a record 123,166 tons of steel ingots, up 3.9% from preceding week's 118,521 tons. Latest figure is almost 26% above year-earlier output of 98,066 tons (82.2% of rated capacity).

A look next door. U. S. steel mills set production schedules at 88% of rated capacity in last week of November, Dun & Bradstreet reports in weekly trade review. This would be highest level since mid-June. Week's auto output was 52% below a year earlier but passenger car production for year to date remains 43% above last year. Latest week's bank clearings were 6.7% higher than a year earlier, electric power production was 9.8% higher.

Cheque cashings up 7.3% in September at $20,424 million vs. $19,027 million a year ago, leaving nine months' total 13.3% ahead of last year at $186,629 million ($164,674 million). January-September debits were larger than a year ago in all economic regions and in the six major centres.

Major Weekly Indicators

	Latest Week Ended		Previous Week	Change from Month ago %	Change from Year ago %
Passenger car production	(Nov. 28)	3,201	3,597	—43.0	—57.9
Truck Production	(Nov. 28)	775	722	—15.1	—52.6
Bus. fail. 4-week moving av. (no.)	(Nov. 19)	35.5	31.5	+ 8.2	+12.7
Steel ingot production (tons)	(Nov. 21)	123,166	118,521	+ 5.6	+25.5
Steel production (% capacity)	(Nov. 21)	100.0	97.6	+ 4.1	+21.6
T.S.E. Industrial index	(Dec. 1)	516.45	513.84	+ 0.5	+ 1.5
Yield 114 stocks	(Nov. 30)	4.46%	4.43%	+ 2.0	+ 5.9
Chartered banks					
Personal savings ($ millions)	(Nov. 18)	6,898	7,042	— 3.7	+ 1.5
Loans outstanding ($ millions)	(Nov. 18)	6,298	6,187	+ 1.6	+19.2
NHA mtge hldgs. ($ millions)	(Nov. 18)	947	944	+ 1.2	+25.1
Bank clearings:					
Montreal ($ millions)	(Nov. 27)	939	1,274	+ 1.6	+ 4.2
Toronto ($ millions)	(Nov. 27)	1,349	1,901	— 1.5	+ 6.3
Cdn. dollar (U.S. cents av.)	(Dec. 1)	105.069	104.753	— 0.5	+ 1.6
Carloading totals	(Nov. 14)	77,547	82,813	+ 3.5	+ 6.2
Eastern Canada	(Nov. 14)	51,541	54,206	+ 2.5	+14.6
Western Canada	(Nov. 14)	26,006	28,607	+ 5.6	— 7.2
Iron and steel mfg.	(Nov. 14)	1,276	1,095	+17.9	+48.7
Ores, concentrates	(Nov. 14)	9,665	11,266	—30.5	+142.7
Base metals	(Nov. 14)	691	761	+29.6	+31.4
Lumber, timber plywood	(Nov. 14)	3,474	4,081	— 9.7	— 9.8
Cement	(Nov. 14)	367	448	—33.4	—37.9
Bank of Canada holdings of					
Securities ($ millions)	(Nov. 25)	2,719	2,715	.....	— 1.8
Short-term govt. ($ millions	(Nov. 25)	586	583	+ 3.0	+97.3
Long-term govt. ($ millions)	(Nov. 25)	2,057	2,057	— 0.7	—13.6
Other securities ($ millions)	(Nov. 25)	18	17	— 5.3	—53.8
Department stores sales % change from year earlier	(Nov. 21)	+4.8	+3.0	+10.7	+ 8.4

Facts by the Month

	Latest Month	One Month Previous	Change From Two Months Ago %	Change From Year Ago %
WHAT WE PRODUCE—				
In all industries (Index)	Sept. 171.3	161.9	+6.5	+9.5
In factories (Index)	Sept. 153.6	145.9	+6.3	+7.9
Total nondurable goods (Index)	Sept. 157.5	152.9	+11.4	+5.8
Food & bev.	Aug. 167.0	153.3	+4.7	+7.3
Textiles	Aug. 125.1	94.9	+0.6	+12.5
Clothing	Aug. 114.4	111.3	+1.8	—1.5
Chemical products	Aug. 191.6	178.6	+4.2	+3.5
Total durable goods (Index)	Sept. 149.0	137.8	+0.7	+10.6
Iron & steel products	Aug. 145.4	141.1	—1.4	+22.6
Primary iron & steel	Aug. 159.7	160.8	—8.7	+62.6
From mines (Inde)	Sept. 277.8	259.1	+8.0	+15.1
Metals	Aug. 216.5	220.6	+5.6	+12.8
Nonferrous smelting, refining	Aug. 138.2	143.1	—4.8	+2.0
Gold	Aug. 101.4	106.1	—2.7	—4.5
—From farms				
Cattle delivered (000)	Sept. 196	143	+35.8	—4.8
Hogs graded (000)	Sept. 812	531	+50.6	+53.8
Grain mill products (Index)	Aug. 131.6	128.3	+0.2	—1.8
—From sea				
East Coast catch ($000)	Sept. 5,289	8,338	—44.5	+9.3
W. Coast catch ($000)	Sept. 4,505	7,909	—22.4	—35.5
—From forests				
Newsprint (000 tons)	Oct. 593	533	+9.6	+9.0
Pulp (000 tons)	Sept. 883	904	+1.1	+7.4
—In powerhouses				
Electricity (million kwh.)	Sept. 8,213	8,108	+1.5	+7.8
WHAT WE SELL—				
Retail sales ($ millions)	Sept 1,401	1,291	—5.0	+5.8
Dept. store sales ($ millions)	Sept. 126.6	100.4	+31.3	+6.5
*Wholesale sales ($ millions)	Sept. 704	624	—2.1	+8.9
Mfrs. outstg. orders ($ millions)	Sept 2,215	2,247	+2.4	—0.4
*Pass. car sales (units)	Sept 25,337	30,453	—29.5	+15.9
WHAT'S ON HAND—				
Mfrs. inventories ($ millions)	Sept 4,454	4,443	+1.8	+0.8
Dept. store stock sales ratio	Sept. 2.5	3.0	—16.7	+4.2
SPENDING, SAVING POWER—				
Labor income ($ millions)	Aug. 1,530	1,508	—0.6	+7.6
*Dividend payts. (Index) (annual rate)	Nov. 312.2	302.6	+4.3	+3.8
JOBS—				
Persons with jobs (000)	Oct. 6,053	6,078	—2.2	+3.2
Jobless seeking work (000)	Oct. 237	213	—0.6	—34.3
Do. (% of labor force)	Oct. 3.8	3.4	+2.7	—25.5
CONSTRUCTION—				
Contract awards ($ millions)	Oct. 291	339	—7.6	—30.3
FOREIGN TRADE—				
Exports ($ millions)	Oct. 473	458	+14.0	+3.7
Imports ($ millions)	Sept. 467	449	—5.7	+10.7
MONEY—				
Money supply ($ millions)*	Aug. 13,003	13,072	+0.3	+3.1
Cheques cashed ($ millions)	Sept. 20,434	19,737	—14.0	+7.3
Life insurance sales ($ millions)	Sept. 462	427	....	+18.7
Notice deposits ($ millions)	Sept 7,806	7,819	....	+3.1
Current public loans ($ millions)	Aug. 6,307	6,218	+3.5	+23.3

*Total deposits, less Govt of Canada deposits, less float, plus notes in circulation outside the banking system.

	Latest Month	Month Yr ago	Yr to date	% chge. Yr. to date
PRICES—				
Consumer prices (Index)	Oct. 128.9	127.1	+1.3	+1.0
Wholesale prices (Index)	Oct. 230.1	230.9	—0.3	+1.4
STRATEGIC MATERIALS—Production and Supply—				
Steel ingots and castings (000 tons)	Sept 503	349	4,291.7	+21.3
*Nickel (000 tons)	Sept. 16.3	11.8	133.5	+2.6
*Primary copper (000 tons)	Sept. 35.7	27.4	263.7	+3.9
Lumber exports (millions fbm.)	Aug. 386	393	2,436.2	+15.7
Lumber (millions fbm.)	Aug. 559	604	5,140.1	+1.8

*New item this week
Index based: production 1949=100; consumer price index 1949=100; wholesale price index 1935-39=100

Date of issue for your file, The Financial Post, Dec. 5, 1959.

Look For It Here

December 5, 1959

REGULAR FEATURES

Adelphi	34	J. B. McGeachy	7
Announcing	19	Mkt. Comment	41
Auto Prod.	5	Mining	46-7
Beaver Club	27	Note	5
Bid & Ask	43	Others Say	6
Books	10, 11	Quotes	42-5
Bus. Trends	2	Scratch Pad	33
Editorials	6	Taking Stock	47
European R'dup	38	Travel	12, 13
Growth Stocks	37	What's New	33
Inside the News	17	Why They're Moving	5
Investments	4, 5	Your Taxes	40

INDUSTRIALS

Air France	13	Donohue Bros.	31
Aluminium	23	Du Pont of Can.	4
Booth Fisheries	27	Halliday Co.	16
Brockville Chem.	4	Ind. Accept.	30
Can. & Dom. Sugar	18	Int. Utilities	5
Canadair Ltd.	27	Laidlaw Lbr.	22
Cdn. Celanese	27	Lambton Close	13
Cdn. Curtiss-Wright	19	McCulloch of Can.	23
Cdn. Gen. Elec.	31	Monarch Knit	4
Cdn. Pac. Riy.	37	Peace Riv. Pwr.	35
J. I. Case Co.	19	Rohm & Haas	23
F. P. Chapple	13	St. Lawr. Cem'nt	27
Dom. Engineer'g	16	Salada-S-H	46
Dosco	17	Sogemines	4
		Stafford Foods	16
		C. Turnbull	4

MINES AND OILS

Agnico	47	Cons. West Pete	47
Algom	46	Falconbridge	37
Cdn. Dyno	37	Interprovincial	35
Cdn. Malartic	47	Preston E. Dome	46
Cdn. Petrofina	13	Taurcanis	47
Central Del Rio	47	Teck Hughes	46
Coniarum	46	West Decalta	46

Third Quarter Gatineau Net Drops by 49%

MONTREAL (Staff) — Loss of company's New Brunswick operation contributed to lower income and profit for **Gatineau Power Co.** in the first nine months.

Net profit in this year's nine months was $3,054,000 ($1.48 per common share) or 20.2% lower than $3,824,800 ($1.94) in corresponding 1958. Indicated third-quarter profit was 36c a share this year, 62c last year.

New Brunswick Electric Power Commission has taken over the New Brunswick operation. Gatineau will get interest at 5% from May 1 last on the amount of compensation. This hasn't been included in income. Company's claim for compensation is being filed.

Company says below average water conditions have reduced excess power sales substantially.

Here are comparative details:

First nine months	1959	$000	1958
Op. rev.	13,545		14,058
Other inc.	218		184
Less: Power purch.	1,246		805
Op. exp., maint.	2,873		2,795
Taxes	3,755		4,057
Interest	1,251		1,248
Exchange	*24		*40
Depreciation	1,300		1,425
Amort. of disc. & exp.	108		108
Net profit	3,054		3,825

*Credit.

Bring your shopping list to Simpson's

CLUB 391

where busy men shop for lovely ladies

Here you'll find gifts both pretty and practical from all over the store. Your shopping list shrinks to no problem at all. Come see the beautiful things Simpson's has for the ladies. Club 391 is all new and in a new location on the Fifth Floor—Yonge Street—a whole houseful of gift ideas.

Reserved For Men Shoppers Only

THE CHRISTMAS TREE STORE

Simpson's

TV Sales Trend: Look for 5% Rise In Annual Sales

Starting next year, television set sales should rise steadily by about 5% yearly, an industry executive says.

This growth would be on basis of "a growing replacement market coupled with demand for second sets in the home," according to Stuart D. Brownlee, president of **Canadian Admiral Corp.**

The 1959 volume will likely be off about 5% from 1958 but this will likely be the low point in a downturning curve from the 1955 peak year.

Brownlee points out that industry inventory at end of October (about 100,000 sets) was equal to expected November and December sales. This factor should help to maintain stability in the market.

Wilson Plans Prairie Plant

Special Correspondence

MEDICINE HAT — **J. A. Wilson Lighting & Display Ltd.,** of Metro Toronto, will open a manufacturing plant here within the next four months.

The plant will employ 25 at first. Plans call for expansion within two years to a 100-employee operation.

It's understood that Wilson studied several sites in different Prairie cities before picking Medicine Hat.

BERMUDA

OFFERS

- TAX FREE JURISDICTION
- STABLE GOVERNMENT
- STRATEGIC LOCATION
- FIRST CLASS COMMUNICATIONS
- FREE PORT AREA

THE BANK OF
N. T. BUTTERFIELD
& SONS LIMITED
Hamilton — Bermuda

will be pleased to answer enquiries relating to the establishment of TRUSTS and the incorporation of COMPANIES.

THE CARTER CONSTRUCTION COMPANY LIMITED.

TORONTO: 419 CHERRY STREET, PHONE EMpire 3-9161
WINNIPEG: 925 KYLEMORE AVE., PHONE 43-2339

Price Spreads—from Producer to Consumer

Here is a special FP summary of the Royal Commission on Price Spreads which, this week, after almost two-year study produced its report.

Chief argument around the report centres on its criticism of the methods used by the food industry to estimate its profits, and its recommendation that this should be based on "rate of return on investments".

The Price Spreads Commission was charged to determine whether the "spread" between farm prices and retail prices is "fair and reasonable" or "excessive".

It examined "gross margins as a percent of sales", and rates of return on investment after taxes.

1. Gross margins, it found very variable in different sections of the industry. Also the margins were composed of very varying costs. For example, in 1957, gross margins, expressed as percent of sales, were:

—For all food industries 37%
—For prepared breakfast foods ... 71%
—For flour-milling . 24%

Wages, expressed as percent of the gross margins, came between these two extremes:

—In bakery products 51%
—In breakfast foods . 21%

Packaging, as percent of gross margin, accounted for:

—Fruits and vegetable processing .. 43%
—Bakery products .. 5%

This method doesn't help much, the Commission concludes, because each margin has to be interpreted differently.

2. Profits as % of Sales.

This very commonly - used method of assessing profits is rejected flatly by the Commission.

If raw materials are 75% of the firm's costs, then obviously the proportion going to plant labor and to capital will be small. If the firm's product, on the other hand, has a high content of labor and a low content of raw materials, then labor's share of the sales dollar will be high.

Payment for capital (or labor or raw materials or anything else) "expressed as a percent of sales cannot indicate", says the Commission, "whether the payment is 'reasonable' or 'excessive'. Neither can the change in the percent of sales associated with any one factor demonstrate that it has become more or less 'fair'."

The Commission adds that if net profits after taxes are only a small percent of sales, that does not show that they are not excessive.

In such a case, it says "any reduction in profits (even to the impossible level of zero) would have relatively minor effect on price. But this does not prove that the return on investment being earned by the providers of capital is 'fair and reasonable'."

3. Rate of Return on Investments.

This is the standard the Commission adopts (after allowing for tax) as the only possible means of attempting to judge whether profits are excessive.

It notes that capital is — in theory and at least partly in practice — mobile. The profit mechanism should direct the flow of savings into the most profitable enterprises.

Even though the mechanism does not work by any means perfectly, to deny it altogether, says the Commission, "would be to deny the basis of private capitalism".

It adds: "Consequently, when profits are high and remain high, it may reasonably be concluded that they are excessive in relation to the service rendered." (The "service", it says, is "the essential one of providing capital").

In examining the food industries, the Commission has picked out cases where rates of return have consistently run at a rate of more than 10%.

It doesn't, it says, imply that the rate of return ought to be 10% on net worth. It doesn't claim to measure the factor of risk.

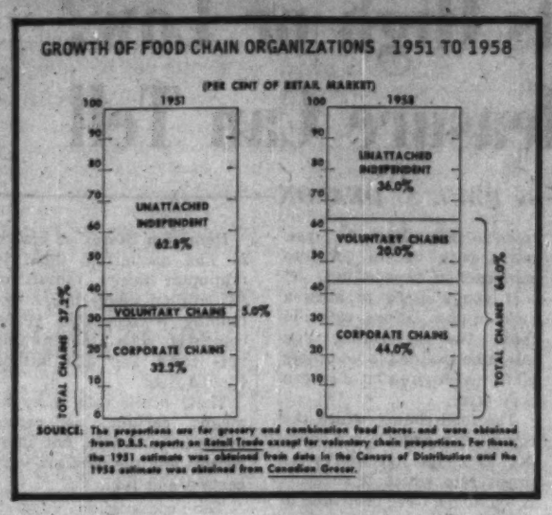
But it says:

"We do feel satisfied that a rate of return in excess of 10% in the food industries justifies comment when the rate of return in industry generally is averaging about 7.3%."

(This is the C.M.A.'s estimate for 1958).

The measure of investment used throughout is the "shareholders' equity"

This is defined as: "the total of the value of the capital stock plus the undivided surplus. This does not indicate the total investment in the corporations. Bonded indebtedness and bank loans, for which interest payments are made, also reflect investment. We limit our consideration here to the shareholders' investment and the rates of return on this investment, and to the increases that have taken place in investment by shareholders. This investment may take place through the retention of earnings by the corporation or by the issuing of new shares."



RATES OF RETURN ON INVESTMENT AFTER TAXES

	1957	9-Year Average
Total Retail Trade	8.8	9.8
Retail: Dairy Products	7.7	7.5
3 Dairies	8.6	7.7
Retail: Other Food Products	12.0	15.0
5 Chain Store Organizations	14.9	17.1
Total Wholesale Trade	10.3	11.1
Wholesale: Food Products and Farm Products, n.e.c.*	7.4	7.7
5 Food Wholesalers	9.8	9.0
Total Manufacturing	8.5	10.7
Total Food Processing	8.3	8.4
Slaughtering and Meat Packing	9.0	8.8
3 Meat Packers	7.9	8.2
Dairy Products Manufacturing	10.3	10.9
Bakery Products	5.7	7.2
5 Bakery Firms	6.2	7.4
Grain Mill Products	8.2	7.5
3 Breakfast Food Firms	29.3	29.2
3 Flour Mills	3.3	6.4
Canned and Preserved Fruits and Vegetables	7.2	7.6
4 Large Fruit and Vegetable Processors	6.4	9.0
4 Medium Fruit and Vegetable Processors	4.2	6.7
3 Small Fruit and Vegetable Processors	6.5	11.9
Miscellaneous Foods	10.4	8.9
3 Sugar Refineries	9.6	8.2

*n.e.c.=not elsewhere classified.

Source: Those figures with numbers of firms indicated come from questionnaire returns; other groups are taken from Taxation Statistics. In each case, both profit and loss companies are included.

Can Price Spread Be Held in Check?

This was the Royal Commission's fundamental question.

Its answer is, in effect:

- Unless we want continuing inflation, it must be checked.

How?

First, it rules out the following:

- Sweeping legislation about food marketing;
- Price controls;
- Attempting to break up the large firms which dominate the food industries.

Second, it says, the public generally must "recognize, admit and accept" that:

"When the structure of an industry rests upon large organizations, things can and do happen which serve the interest of the organization . . . to the detriment of consumers generally."

Third, as Dr. Andrew Stewart, Commission Chairman, put it:

"It doesn't require a change of major proportions. The increase in the whole retail index in the last ten years has been about 2% per year.

"But the only way to stop inflation is to stop **particular** price increases.

"Since the profit motive is apt to maximize prices, we need to find some pressures which will influence the dominant firms in the opposite direction."

Fourth, since competition in food-marketing has concentrated so heavily on additional services — all increasing in price — the only way to stop inflation is to persuade people that they cannot afford all these extra services; get the public (and so the companies) to concentrate on **reducing prices instead.**

All the recommendations fit in with one or other of these commission objectives:

—More information: hence revision of company laws, a Permanent Council on Prices, Productivity and Incomes, and reports of a new kind from the Combines Director of Investigation and Research.

—Fewer "gimmicks": hence a compulsory cash discount as an alternative to trading stamps, stricter enforcement of the Foods and Drugs Act to get more informative labelling, standard container sizes, simplified grading.

—More consumer choice: hence less advertising of the "bulldozing" kind, and more informative media helping the public to make informed choices; to be achieved by (a) enactment of the "misleading advertising clause" in the new Combines Act introduced last session and later withdrawn, and (b) a new "code of ethics" on food advertising to be drawn up by the Association of Canadian Advertisers in cooperation with the food industry.

—More government concern with the "public" - "consumer" interest, rather than with special interest groups: hence, a new office of Consumer Rela-

Continued on page 14)

Rodney Hull says:

"Good estate planning helps you keep what you earn for yourself or your family"

RODNEY HULL, President
RODNEY HULL LTD.
MUTUAL LIFE OF CANADA
50 King St. W., Toronto EMpire 4-8371

Royal Commission on Price Spreads

The Commission was appointed on Dec. 10, 1957, with the following members and terms of reference:

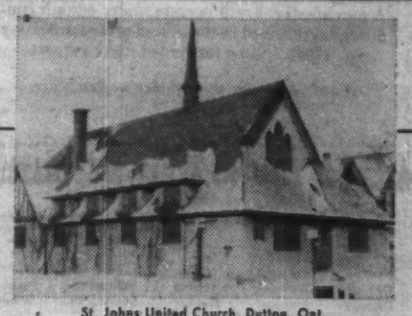
Dr. Andrew Stewart, Edmonton, Chairman.
Mrs. Dorothy Walton, Toronto.
Howard MacKichan, Halifax.
Roméo Martin, Montreal.
Dr. W. M. Drummond, Guelph.
Cleve Kidd, Toronto.
Bernard Couvrette, Montreal.

To:

(a) inquire into the extent and the causes of the spread between the prices received by producers of food products of agricultural and fisheries origin and the prices paid by consumers therefor;
(b) determine whether or not such price spreads in general or in particular cases are fair and reasonable, or are excessive, in relation to the services rendered;
(c) make such recommendations as they deem appropriate if any such price spreads are found to be excessive;
(d) examine the adequacy of price information currently available.

The Secretary was Dr. J. A. Dawson, of the Economics Division, Department of Agriculture.

All the Commissioners signed the report, but two added diverging views on some points.



St. Johns United Church, Dutton, Ont.

CHURCH HEATING

Let Gar Wood experience in this specialized field help you provide your congregation with perfect comfort at the lowest annual cost.

Gar Wood
AUTOMATIC HEATING
AT ITS BEST!

OIL & GAS HEATING WARM AIR & HOT WATER
AIR CONDITIONING

Write for our free booklet on Gar Wood SPECIALIZED HEATING FOR CHURCHES

ENGINEERING INDUSTRIES CO. LIMITED
15 BRANDON AVE., TORONTO 4

A wholly-owned and operated Canadian Company

CAPITAL AVAILABLE

BUSINESS AND REALTY

Commercial, residentials, 1st and 2nd mortgages. Construction loans, chattel loans, sale and lease back realty, machinery and equipment. Present loans increased, payments reduced. Receivables-installment notes, discounted and rediscounted. Long term debentures. Reorganization, merger financing. Purchasing of existing firms, new ventures, stock issues for mining, industrial interests. Act as principal, agent or financial consultant. Thirty years in financing. Personal investment.

SYMINGTON-FIELD
Financing for Industry
501 YONGE ST. — TORONTO WA. 1-4022

Your Pipe's Best Friend! The one-and-only, patented BEATTIE JET LIGHTER is designed for greatest pipe-smoking enjoyment. A slight tilt, and your Beattie forms a jet-flame that aims straight into pipe-bowl. Extra-large fuel capacity; 100% fuel combustion; no fluid taste or odor. Unique, rapid, easiest re-fueling.

The Outdoorsman's Favorite! A Beattie Jet is also handy for blackening gunsights; lighting campfires and fireplaces; as a 'torch' for that small soldering job and for thawing out frozen car-locks.

A daily companion of a million delighted users!

11 beautiful style numbers retail from $7.95 to $49.00.

FULLY GUARANTEED!

Available at: United Cigar Stores, Department Stores, Better Jewelry and Tobacco Stores—or write us.

Mr. Executive! For holidays; premiums; incentive prizes; Company anniversaries . . . Beattie Jet Lighters (with or without your Company name or trademark), make the most long-remembered, useful and impressionable gift. Allow 3 weeks for engraved imprints.

Write for complete details, catalog sheet of full line and SPECIAL QUANTITY PRICES.

BEATTIE JET PRODUCTS, Inc.
Dept. FP—19 East 48th St., N.Y. 17, N.Y.

Here's a Minority View From Consumer Leader

Mrs. Dorothy Walton, past president of the Canadian Association of Consumers, says:

"It is regrettable that the report could not show how the main part of the marketing bill or price spread (73% in 1957) was made up. It does deal with wages, salaries and profits in considerable detail and makes reference to income and other taxes but it does not give the magnitude of the total of any one of these nor the absolute increases that have taken place in each of them during the period.

Thus, the importance of these components in relation to the total marketing bill has not been revealed nor has the importance of the increases that have taken place in them during the period 1949-57 in relation to the increase that has taken place in the total marketing bill.

Had it been possible to show as complete a picture of the magnitude of all of the components making up the marketing bill, the report's emphasis might well have been shifted to some of these 'other components' which, in total, make up the much larger portion of the marketing bill."

Mrs. Walton adds this comment about services:

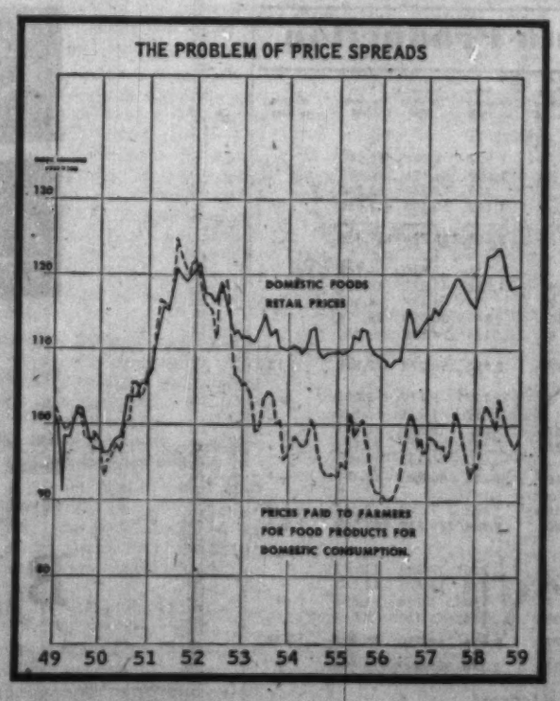
"With regard to services, I consider that a clearer distinction should have been drawn in the report between (a) customer shopping conveniences such as free parking, etc.; (b) the services including transportation, cold storage, packaging, etc.; and (c) the services embracing technological developments in food including 'built-in maid' services' such as frozen foods, cake-mixes, instant puddings, prepackaged salads, etc.

"(a) In connection with these, I agree with the report that the services such as free parking space, good lighting, air conditioning, spacious and attractive stores, etc., which can be classed as customer shopping conveniences, are used by the supermarket to compete for customer's patronage. Evidence indicates, however, that in general the customer likes such conveniences and is not paying a higher price for her purchases at the supermarket than she would at an independent retail store not so equipped. Moreover, the customer has complete freedom of choice to utilize these services or to patronize a retailer who does not provide them or one who may offer other services such as delivery, credit, etc.

"(b) The majority of other services, apart from a portion of advertising expenditures, are associated with the food product **ahead** of the retailing function. This applies to most of the costs of transportation, cold storage, packaging materials and to approximately 80% of the food advertising bill. The magnitude of these services is clearly shown in the report.

"(c) The technological developments in food and the so-called 'built-in maid services' also occur **ahead** of the retailing function.

"With regard to that portion of the advertising bill comprising premiums, stamp plans and other promotional schemes of the 'gimmick' type, over which the retailer **does have** control, I am in complete agreement with the report, and hope that the appropriate authorities will implement the suggestion of the Commission in this respect."



MAYTAG MAYTAG MAYTAG

Exceptional Profits Reported from

MAYTAG

UNATTENDED LAUNDRY STORES

- An ideal investment for individuals or groups.
- Requires less time than normal investments yet returns higher yield.

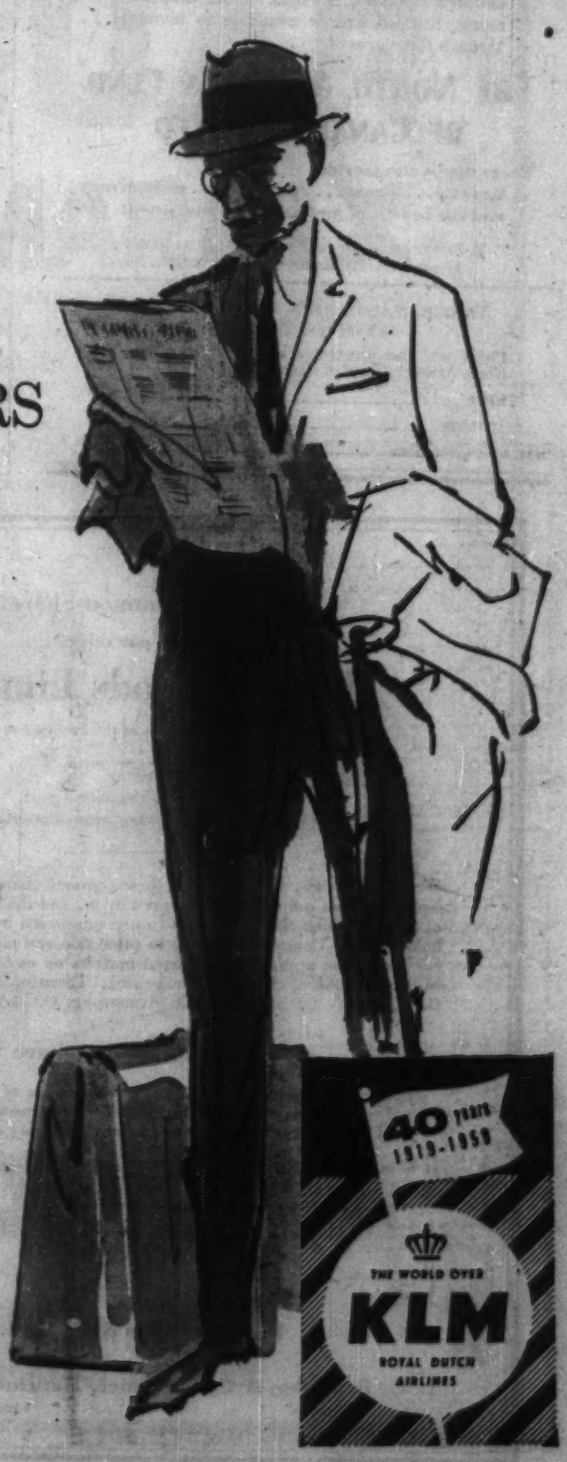
Investigate the unusual profit potential of Maytag equipped coin laundry stores now. New Maytag unattended Coin Laundries are a proven and established business—tailored to modern Canadian methods of living and shopping. The Maytag commercial coin laundry requires no experience, moderate investment, and can be managed easily without interfering with other investments.

Write for full information today:

THE MAYTAG COMPANY, LTD.
Dept. FP121
P.O. Box 519
Winnipeg, Manitoba

MAYTAG COIN-OPERATED WASHERS MAYTAG

EXPERIENCED AIR TRAVELLERS AGREE...



It's not surprising that people who fly all the time insist on flying KLM. Stands to reason when you consider what KLM has to offer . . . a world-wide air network linking six continents and providing First Class passenger service to 105 cities in 74 countries . . . an ever-growing choice of destinations . . . quick, convenient connections the world over . . . daily non-stop flights to and from Europe.

Then there's KLM's unrivalled hospitality both in the air and on the ground . . . prompt, personalized service by courteous and efficient personnel . . . superlatively prepared gourmet meals (courtesy of KLM, of course) . . . spacious and luxurious accommodation aboard the finest aircraft. It's easy to see why air travellers who really *know* insist on flying KLM. Easy to see, too, why they always recommend KLM to their friends.

See your Travel Agent or call KLM
Quebec Montreal Ottawa Toronto
Kitchener London Winnipeg Edmonton
Calgary Vancouver

40 years 1919-1959
THE WORLD OVER
KLM
ROYAL DUTCH AIRLINES

As principals, we offer subject to confirmation

Canadian National Railway Company

5¾% and 5½% Bonds

Guaranteed Unconditionally by the Government of Canada

25 Year
5¾% Non-callable Bonds
due January 1, 1985
Price: at the market to yield about 5.86%
Delivery definitive bonds on or about January 4, 1960

5 Year
5½% Non-callable Bonds
due December 15, 1964
Exchangeable, at the option of the holder on or before June 15, 1964 into an equal par value of 5½% non-callable bonds due December 15, 1971
Price: at the market to yield about 5.85% for 5 years and 5.67% for 12 years
Delivery definitive bonds on or about December 15, 1959

Denominations:
$500, $1,000, $5,000, $25,000 and $100,000

A purchase fund will operate under certain conditions as outlined in the official prospectus, copy of which will be forwarded upon request

Place your order through our nearest office.

McLEOD, YOUNG, WEIR & COMPANY
LIMITED
50 King Street West, Toronto, EMpire 4-0161
276 St. James Street West, Montreal, Victor 5-4261
Ottawa, Calgary, Winnipeg, Kitchener, London, Quebec, Edmonton, Vancouver, Sherbrooke, New York, Hamilton, Windsor

EXTEND TELEX TO U. S. **Canadian National - Canadian Pacific Telex** communications service has been linked with a similar **Western Union** service covering New York, Chicago and Los Angeles and linking them with 36 Canadian centres.

CANADIAN PACIFIC'S liner Empress of Britain will make a two-day cruise from Saint John, N.B., to New York Jan. 14 to Jan. 16. The special sailing will precede the liner's regular winter West Indies cruise program.

A SOUND WAY TO INVEST IN CANADIAN AND U.S. EXPANDING INDUSTRIES

An ownership interest in leading companies in automotive, building, forest products, oil, rubber and steel industries, in banks, finance companies, stores, utilities, etc. is available to investors through the shares of

THE NORTH AMERICAN FUND OF CANADA LIMITED

These shares also provide:
Growth . . . income . . . liquidity . . . convenience and the benefit of professional management.

A Prospectus will be furnished promptly on request by your securities dealer or mail this coupon.

VANCE, SANDERS & CO. OF CANADA
55 Yonge St., Toronto 1, Ont.

Please send me prospectus and information on The North American Fund of Canada Limited.

NAME .....
ADDRESS .....

B.11

INVESTMENTS

Are Profits High or Low? No One Measure Can Tell

By PAUL S. DEACON

THIS WEEK'S report by the Royal Commission on Price Spreads of Food Products has some comments on profit returns that will make many investors and accountants wince.

In seeking a measure of "reasonable profits", the commissioners, in essence, thrust aside the commonly used measure of profit on sales and go whole hog in favor of return on capital invested.

If there is one lesson that most investors have learned over the years, there is no one measure that will tell you whether a profit rate is good or bad.

The investor looking for a profitable investment will most certainly examine the earnings a company makes from the capital invested in the business. He will also investigate many other factors, financial and otherwise, including profit on sales.

What he looks for, in the main, however, is not so much a big percent figure, but a trend.

Are total profits growing? Are per share profits rising? Is the return on sales and the return on capital invested moving up or down?

One company may have a higher return on capital than another and still be a less attractive "buy" because of other factors — a high proportion of debt, big cyclical swings in business and earnings, an unrealistically low book value for its assets that produces an unrealistically high figure for "return on capital".

Construction firms in good times earn more money than most other industrial concerns. **On the other hand, the rate of business failures in this category is among the highest in industry.**

In 1958, for instance, 244 Canadian construction firms failed, with liabilities totaling $13.8 million. The failures for the whole of Canada's manufacturing industry numbered only 209, and the liabilities were only slightly larger at $16.3 million.

In 1957, construction failures exceeded manufacturing failures on all counts — in number (327 to 208) and in liabilities ($19.1 million vs. $14.7 million).

Retailing vied with construction for the dubious honor of being top group in Dun & Bradstreet's failure totals, the respective 1957 and 1958 totals being 740 and 684, and $16.5 million and $14.6 million.

If you looked at the earnings on net worth (capital invested) in the accompanying table, taken from FP's annual roundup of the results of more than 300 Canadian companies (FP, May 9), you might rush out to get into construction or retailing.

If you stopped to have a look at the failure rates in these two categories, you might be inclined to let others go for the high rates of return they offer.

The food chains, which the commission reports are earning 17% on net worth (a profit rate which it suggests is too high), have been able to develop strongly because they offered a service people wanted at prices lower than individual shops could afford to offer.

They get this "high" return because they stretch their capital to the limit. They invest a minimum in fixed assets, dispose of their stores and rent them back on long-term leases. But these long-term leases represent a large forward commitment in relation to their capital, and make the return look much less high.

Loblaw's, for instance, shows a $155 million minimum liability on future rentals (including $51 million in next five years), about double its net worth and three times its funded debt.

Dominion Stores at March 21 had committed itself to minimum future rentals of $37 million under leases extending beyond five years, compared with a $34 million net worth and $20 million funded debt.

Their profit rate is by no means certain, as recent drops have shown, but those rentals and the debt are very certain and real.

The commission suggests that profit on sales is meaningless. But it means a lot to the consumer to know that only 1c or 2c is going for profit on every dollar he spends at a food chain.

If the profit went to zero, he wouldn't save much, and he wouldn't have the shiny new stores, the vast variety of foods, the parking lots and the other attractions that have led him into the supermarkets in the first place.

(If the profit gets too high, lots of competitors will make sure that doesn't last long.)

The profit on sales also means a lot to the investor, who has watched with some concern as the margin dropped in the past year or so from just over 2c per dollar of sales, in some instances to less than 1½c.

The profit-to-net worth and the profit-to-sales ratios both have their limitations.

They are useful for comparisons among companies in the same industry. They are helpful in measuring management's efficiency from year to year.

They are not much use at all, however, when pushed out in the cold by themselves as thermometers of high or low — or fair — profits.

That's what the commission did to them, and in so doing confused rather than enlightened the people to whom it was reporting.

Return On Net Worth

Group	1958 %	1957 %	1956 %
Oils	6.74	11.06	11.35
Metals	7.77	14.68	18.16
Iron & Steel	7.94	8.84	11.15
Pulp & Paper	8.99	9.84	13.35
Transportation	3.46	4.81	5.51
Merchandising	10.35	9.69	9.23
Textiles	5.16	5.67	6.06
Milling & Grain	6.84	5.91	5.71
Construction	10.64	10.71	12.19
Public Utilities	6.77	6.90	7.67
Foods	8.84	8.72	8.57
Beverages	8.76	9.23	8.58
Miscellaneous	9.55	9.91	13.69
Lumber	5.47	6.85	13.75
Total 321 Cos.	7.39	9.16	10.86

Look For Early Financing For Giant Chemical Plant

MONTREAL (Staff) — Initial public financing of a $17 million chemical plant to be built by the **Sogemines Ltd.** group at Maitland, Ont., will be undertaken in the near future, FP understands.

The new chemical company — **Brockville Chemicals Ltd.** — is planning to produce such products as ammonium nitrate, nitrogen solutions, anhydrous ammonia and hydrogen (FP, July 4).

Anhydrous ammonia and hydrogen will be supplied by pipeline to the Maitland works of **Du Pont Co. of Canada.**

According to street rumors, the Brockville Chemicals financing will comprise $5 million 6½% first mortgage bonds and between one million and 1.5 million 6% non-callable participating preferred shares. The underwriting will be handled by **W. C. Pitfield & Co.**

The Maitland chemical plant will use Alberta natural gas as its principal raw material and employ about 185 persons. It is expected to be completed in early 1961.

Textile Firms Join Forces

Monarch Knitting Co., Toronto, has absorbed the underwear division of **C. Turnbull Ltd.,** a subsidiary of **Newlands & Co.,** Galt, Ont.

The merger, which takes effect Jan. 1, 1960, involves Turnbull's plant at Riviere-du-Loup, Que., and knitting machinery at Galt.

Turnbull will continue to operate its yarn division under a new name.

Monarch plans to integrate the Turnbull range of underwear with its own lines and will continue to supply customers of both companies, President K. L. Markon says.

Terms of the transaction were not announced. It is believed, however, that both cash and stock were involved.

JET SERVICE to Australia will be inaugurated by **Pan American** Dec. 15. To be operated on a weekly basis, the new route will be Los Angeles-Honolulu-Fiji-Sydney. Flying time: 18.5 hr.

Canadian Auto Production

	Week ending Nov. 28	Same week 1958	Year to date 1959	Year to date 1958	% change to date
CARS					
General Motors:					
Buick	....	334	8,424	12,580	
Chevrolet	....	1,659	64,494	64,678	
Oldsmobile	....	300	13,343	13,340	
Pontiac	....	1,405	52,535	49,058	
	....	3,698	138,796	139,656	--
Ford:					
Edsel	....	61	1,610	1,913	
Ford	1,590	1,738	48,283	48,795	
Mercury	94	11	5,458	4,851	
Meteor	801	871	30,383	23,716	
Monarch	87	174	4,538	370	
	2,572	2,855	90,272	79,650	+13
Chrysler:					
Chrysler	26	127	5,179	3,083	
DeSoto	9	27	1,111	945	
Dodge	224	507	18,542	18,949	
Plymouth	210	555	15,171	17,584	
	469	1,216	40,003	40,561	—1
Studebaker-Packard:					
Studebaker	160	165	7,748	3,642	+113
Total cars	3,201	7,934	276,819	263,509	+5
TRUCKS					
General Motors	....	756	27,646	23,472	
Ford	433	580	16,675	14,943	
Chrysler	78	150	5,724	5,696	
International	264	150	12,465	8,844	
Total trucks	775	1,636	62,510	52,955	+18
Total cars, trucks	3,976	9,570	339,329	316,464	+7

Source: Canadian Automobile Chamber of Commerce.

Canadian National Railway Company

Guaranteed by the Government of Canada

5¾% Bonds Due January 1, 1985 — **Price: 98.50 to yield about 5.86%**

5½% Bonds Due December 15, 1964 — **Price: 98.50 to yield about 5.85%**

The new 5¼% Bonds due December 15, 1964 may be exchanged on or before June 15, 1964, for an equal principal amount of 5½% Bonds due December 15, 1971. When such Bonds are exchanged the yield to 1971 would be about 5.67%.

These new Canadian National Railway Bonds, guaranteed by the Government of Canada, are a very attractive investment because of the favourable interest return, choice of maturities available and the option to exchange the 1964 Bonds. A circular will be forwarded on request.

Mail and telephone orders will receive our prompt attention.

Wood, Gundy & Company
Limited
Toronto, Montreal, Winnipeg, Vancouver, Halifax, Quebec, Kitchener, London, Hamilton, Ottawa, Regina, Edmonton, Calgary, Victoria, London, Eng., New York

ANNOUNCEMENT

QUEBEC BREWERS ASSOCIATION PRESIDENT

W. R. FOSTER
Photo by Gaby

W. R. Foster, general manager—Eastern Region, Carling Breweries Limited, who has been elected president of the Quebec Brewers Association at the last meeting of its Board of Directors.

FORECAST FOR 1960

Special Advance Offer!

The Annual Forecast Bulletin of Canadian Business Service outlines economic and industry prospects for 1960. The outlook for the bond and stock market is discussed; domestic and international affairs, labour uncertainties and tight money are interpreted in terms of new opportunities for 1960.

24 STOCKS For 1960
For
Income, Safety, Growth, or Speculation.

Reserve your copy of this timely and comprehensive report — now. Send $2.00 and receive the FORECAST — right from the press on December 18 — and without extra charge the next six issues of the Weekly Canadian Business Service Bulletin.

ATTACH $2.00 AND MAIL TO: F-60

CANADIAN BUSINESS SERVICE
4 Richmond Street East, Toronto 1, Ont.

Name .....
Address .....
City ..... Zone .... Prov. .....

225,000 Common Shares
without par value

Stafford Foods Limited

(Incorporated under the laws of the Province of Ontario)

Registrar and Transfer Agent
The Toronto General Trusts Corporation, Toronto and Montreal

We, as principals, offer 60,000 of these common shares, if, as and when issued by the Company and accepted by us, and the remaining 165,000 of these common shares if, as and when purchased by us from a shareholder of the Company, subject to prior sale and change in price and subject to the approval of all legal matters on our behalf by Messrs. Miller, Thomson, Hicks & Sedgewick, Toronto, and on behalf of the Company by Mr. C. H. A. Armstrong, Q.C., Toronto.

Price: $5.00 per share

Application for the listing of the common shares of the Company on The Toronto Stock Exchange has been approved subject to the filing of documents and evidence of satisfactory distribution.

It is expected that share certificates in interim form will be available for delivery on or about December 15, 1959.

A copy of the offering prospectus will be promptly furnished on request.

Ross, Knowles & Co. Ltd.

L. G. Beaubien & Co. Limited — **Osler, Hammond & Nanton** Limited

NESBITT, THOMSON AND COMPANY, LIMITED

Underwriters and Distributors of

GOVERNMENT, MUNICIPAL and CORPORATION SECURITIES

Head Office: 355 St. James Street West, Montreal

MONTREAL QUEBEC TORONTO OTTAWA HAMILTON LONDON, ONT. KITCHENER WINNIPEG REGINA CALGARY EDMONTON VANCOUVER VICTORIA SAINT JOHN FREDERICTON MONCTON HALIFAX BOSTON NEW YORK LONDON, ENG. ZURICH

NESBITT, THOMSON & CO.

Members

Montreal Stock Exchange *Canadian Stock Exchange*

The Toronto Stock Exchange

MONTREAL 355 St. James St. W. TORONTO 350 Bay Street

834A

What About Hedging?

Whether you are a producer, processor, merchant or lender—you concern yourself with proper coverage for many common business risks.

But have you considered price protection through use of the commodity futures markets?

Inventories—either raw materials or finished goods—are subject to price changes which could drastically affect their value.

If a severe price decline suddenly hit the inventories you or your customers rely on, wouldn't it cause you a lot of worry?

Well, a lot of that worry could be avoided.

How?

By hedging in the commodity futures markets for copper, rubber, wool, grains, coffee, sugar and many other basic commodities.

Every day more and more firms are learning the value of the protection afforded by hedging. And more and more bankers are insisting upon it.

If you would like to know more about hedging and how the futures markets can be used to minimize price risk, just write us and ask.

We have booklets available on the subject and in addition, we will be glad to have one of our commodity specialists consult with you. Our services are at your disposal without charge or obligation. Just call or write—

Merrill Lynch, Pierce, Fenner & Smith Inc.

Members Toronto and New York Stock Exchanges, The Investment Dealers' Association of Canada

BOARD OF TRADE BUILDING, 11 ADELAIDE ST. W., TORONTO 1

Telephone: EMpire 6-1501

Donald I. Webb

Vice-President and Resident Officer

ANNOUNCEMENT

G. I. MERWIN P. BRISSETTE M. LEDUC

Thomas T. Crowley, General Manager and Vice-President of Crucible Steel of Canada Limited, announces the following appointments: George I. Merwin as Works Manager; Paul Brissette as Chief Engineer, and Marcel Leduc as Manager of Employee Relations.

Mr. Merwin, a mechanical engineer and a graduate of Penn State University, Philadelphia, was formerly with Crucible Steel of America as division manager of the Sanderson-Halcomb Works in Syracuse, N.Y., and earlier with Henry Disston & Son and Midvale Steel Company, Philadelphia.

Mr. Brissette, a professional engineer from the Université de Montréal, was formerly with Sorel Industries Limited as plant engineer and assistant to the vice-president in charge of production.

Marcel Leduc, with 20 years' experience in the field of employee relations, was formerly personnel manager for Sorel Industries Limited.

Portfolio Management

Accounts entrusted to our care are kept under constant supervision by our Portfolio Department working in close conjunction with our Research staff.

This service includes quarterly reviews and valuation of holdings. Clients are kept informed of important financial and corporate developments which affect their interests.

Your enquiries are invited.

Greenshields & Co

Limited

507 Place d'Armes, Montreal

Members of Montreal and Toronto Stock Exchanges

Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By P. T. DURRANT

A significant item in **Loblaw Inc.**'s recent announcement of plans to alter its capitalization is the proposal to eliminate the pre-emptive rights applying to presently outstanding stock. These rights prevent the sale of unissued stock for cash or for property, without first offering such shares to present shareholders.

Flexibility in the capital structure is most important, company says, in that it will permit financings and acquisitions without the delay involved in such stockholder offerings.

Any acquisitions envisaged by company might conceivably include a merger with **National Tea Co.** of Chicago, also controlled by **Loblaw Groceterias.** There has been talk in the past of a marriage between these two U. S. members of the Loblaw group.

A possible share-exchange basis for merger of the two companies would be in the ratio of two National Tea shares for three Loblaw Inc. shares.

This is based on two factors: Recent market prices of the two stocks—$19 for National Tea, $136 for Loblaw Inc. (after the proposed 10-for-1 stock split, this would be equivalent to about $13½); earnings—National Tea earned $1.34 per share in 1958, Loblaw, 96c (adjusted for split) in year ended May 30, 1959.

On dividends, however, National Tea is paying at an 80c annual rate. Loblaw's increased annual rate effective next March will be only 30c per new share (present rate is 20c).

In a three-for-two exchange, **Loblaw Groceterias** would end up with a 41% interest in the surviving company. At present it has 57% interest in Loblaw Inc., 36% in National Tea.

A possible obstacle to any such merger: National Tea is facing an anti-trust charge laid by the U. S. Federal Trade Commission earlier this year. The FTC claims the acquisition policies of National and several other chains over the past few years have violated the Clayton Antitrust Act.

A Loblaw and National combination, however, would bring together stores operating in quite different areas.

* * *

Ordinary stock of **Bowater Paper Corp.**, recently trading at $8½, has slipped from its 1959 high of $9¼ set early in November. Low for the year is $6. Unconfirmed reports say company may increase authorized ordinary share capital next year.

Issuing shares for acquisitions now under way and under conversion privileges, could raise issued capital to around 29 million shares, out of 30 million now authorized. If company decides, as indicated earlier, to issue shares for capitalization of reserves, it will probably have to increase authorized capital.

Recent market price of **Anthes-Imperial Co.'s** stock—$35¼—is only slightly above year's low of $35. (1959 high—$45.) Company says production of two subsidiaries will be concentrated on certain structural products, such as steel joists and scaffolding. Operations will be consolidated in Toronto plant of subsidiary **Standard Iron & Steel Works.**

Anthes intends to dispose of the remaining business of subsidiary **Sarnia Bridge Co.** as a going concern. Identity of possible purchaser is not revealed.

* * *

Resumption of dividends on common stock of **Hubbard Felt Co.**, after a lapse of over 10 years, coincides with elimination of arrears on class B shares. Company has declared a common dividend of 50c per share, payable Jan. 1. (Last payment was 25c on Jan. 1, 1949.)

In addition, company has declared the regular semi-annual payment of 75c on its B stock, plus 75c, liquidating arrears.

Outstanding capitalization consists of 12,500 class A, 7,500 class B and 30,000 common shares. Common was $7 bid at mid-week; previously this year it traded in a narrow $6-$5⅝ range.

FP understands year ended Nov. 30 was better than preceding fiscal year when net was equal to $2.08 per common share.

Auto Fabric Products Co., Montreal-based seatcover and auto accessory maker, has declared two 15c dividends reducing arrears on its class A stock to $2.55 per share. Both the A and B stocks trade lightly; recent prices—A $8, B $3.50.

Cockshutt Farm Equipment shares, $14½ in early September, $16¾ Nov. 18, were trading around $20 this week. Street rumors suggest possible offer by German interests at a price of $24 or better. President Bechhold and some Cockshutt engineers were in Germany last summer to look for possible new lines. Bechhold tells **FP** he has been approached by several groups interested in buying Cockshutt stock, but says that so far no detailed talks have developed.

Note

By VINCENT EGAN

SOME SIDELIGHTS on the $300 million **Canadian National Railways** borrowing, being discussed by investment men this week:

- **Demand** was unusually heavy — nine-to-one, some dealers reported — for medium-term rather than long-term bonds. The 5½% five-year bonds, offered at 98½ to yield 5.85%, for the first 4½ years carry the attractive privilege of conversion into 12-year (1971) maturities at the same coupon, yielding 5.67%.
- **Some insurance companies,** on the other hand, found the 5¾% 25-year bonds better suited to their portfolios, especially with its protection against redemption prior to maturity.
- **This absence** of any short-term bonds in the issue appeared to come as a surprise — and a welcome one — to most professional investors, since prices on short-term Canadas strengthened after the offering. Critics have said recently that the public debt is again getting to be as top-heavy in short maturities as before the 1958 Conversion Loan.
- **The Bank of Canada** was widely rumored to be supporting prices of outstanding Canada issues this week. This buying power has been absent at the time of some other recent government issues.
- **Order books** were kept open for three days, rather than the usual two, by the central bank — evidently to ensure best possible distribution.

* * *

A new company, **Brockville Chemicals Ltd. (a Sogemines Ltd. subsidiary)** plans to build a $17 million chemical plant at Maitland, Ont. It is expected that **W. C. Pitfield & Co.** will underwrite the public financing, consisting of $5 million 6½% first mortgage bonds and between one million and 1.5 million 6% non-callable participating preferred shares.

* * *

There appears to be a possibility of a private placement of the expected additional first mortgage bond issue by **Trans-Canada Pipe Lines Ltd.**, probably totaling about $13 million (**FP**, June 20).

* * *

Demand is reported to be heavy for the $10 million **Consumers' Gas Co.** 6½% 20-year sinking fund debenture issue at par (**FP**, Nov. 28) even before its formal offering, which may not be made until next week . . . The $35 million **Bell Telephone Co. of Canada** 6¼% 18-year bond issue at par was oversubscribed.

* * *

First equity issue by Toronto's **Stafford Foods Ltd.** (**FP**, Oct. 31) is now being offered by Ross, Knowles & Co. Offering consists of 225,000 common shares, par $1, at $5 per share.

* * *

Donohue Bros. is arranging private placement of $800,000 (U. S.) 6% 17-year first mortgage sinking fund bonds, to help finance its $1,250,000 capital improvement program.

* * *

Investment Dealers' Association of Canada has awarded a certificate for outstanding public service in investment education to CHNS, Halifax, for its weekly series of 40 broadcasts on "How to Invest".

Int. Utilities Net Rises 31%

International Utilities Corp., New York, consolidated net profit of $3,807,201 (U. S.) for the nine months ended Sept. 30, 1959, was 31.1% higher than the net of $2,904,200 for the like 1958 period.

Earnings per share were $1.55 ($1.19 last year).

Results for both periods do not include net profits on sales of investments. These amounted to $680,015 ($1,845,035), equal to 28c (75c) per share.

Company estimates that gas sales rose by about $26,000 for the nine months and $62,000 for the 12 mos. ended Sept. 30, 1959, because of colder than normal weather.

For the first nine months of 1958, gas sales were reduced by an estimated $634,000 due to above normal temperatures.

A much higher proportion of gross revenue is reflected in the winter months than in the summer due to the large space heating load of the natural gas subsidiaries.

Since Jan. 1, 1954, the subsidiaries have been permitted to claim depreciation allowances for Canadian income tax purposes substantially in excess of the amounts charged in their accounts.

As a result, income tax accruals by the subsidiaries were reduced by about $927,000 for the 12 mos. ended Sept. 30, 1959.

9 mos. ended Sept. 30:	1959 $	1958 $
Oper. revenue:		
Natural gas	21,207,255	15,999,620
Electricity	5,140,238	4,312,910
Rentals, etc.	224,828	242,318
Add: Other inc.:		
Parent company	298,712	390,864
Subsidiaries	494,804	300,000
Less: Oper. exps.	15,449,112	11,889,425
Amort. & depr.	2,313,185	2,101,630
Interest	2,217,690	1,891,116
Inc. tax, subsids.	2,510,850	1,412,884
Exps., taxes, parent	156,947	192,011
Prof. divd. of subs.	843,059	812,392
Other chgs., subsids.	107,730	52,859
Add: Exch. premium*	39,937	10,805
Net profit	3,807,201	2,904,200
Earnings per share	$1.55	1.19

*On remittances to parent company.

TIN MILL PRICES

The Steel Company of Canada, Limited, Hamilton, Ontario, announces Tin Mill Products, mill base prices, effective January 1, 1960, for the period ending March 31, 1960, as follows:

F.O.B. mill, mill base prices, 100 lb. basis weight, per base box.

Common Cokes	$10.60
No. 25 Electrolytic	9.10
Tin Mill Black Plate	8.30

NEW ISSUE

We offer and recommend:

Canadian National Railway Company

Guaranteed unconditionally by the GOVERNMENT OF CANADA as to both principal and interest

5¾% BONDS
Due January 1, 1985
PRICE: At market. Yielding about 5.86%
Interest payable July 1 and January 1

5½% BONDS
Due December 15, 1964
PRICE: At market. Yielding about 5.70% for 5 years
Interest payable June 15 and December 15

Exchangeable on or before June 15, 1964 into an equal par value of 5½% Bonds due December 15, 1971

Bonds may be registered as to principal or fully registered

Denominations: $500, $1,000, $5,000, $25,000 and $100,000

DOMINION SECURITIES GRPN. LIMITED

Established 1901

Toronto Montreal New York London, Eng. Winnipeg Calgary Edmonton Vancouver Victoria Ottawa Quebec Halifax Saint John Fort William London Kitchener Brantford Hamilton St. Catharines Boston Philadelphia

50 King Street West, Toronto

Shouldn't you move to the 3¼ oz. minox camera?

So easy to get big candid pictures.

Minox B, with built-in exposure meter, leather case and chain $169.95

Without meter, but including case and chain $139.59

For literature write:

WM. SAYLES COMPANY LIMITED

529 ROGERS RD. TORONTO, ONT.

KERNAGHAN & CO. LIMITED

Investment Securities

Canadian National Railway 4% Bonds due Feb. 1, 1981
Price 81.25 to yield 5.50%

2nd Floor, 67 Richmond St. W. TORONTO

EM. 4-4256 EM. 8-3871

CANADIAN SECURITIES

We invite your enquiries regarding Canadian Government, Municipal and Corporation Bonds, Preferred and Common Stocks.

BANKERS BOND CORPORATION LIMITED

44 KING STREET WEST, TORONTO

KITCHENER LONDON HAMILTON

Members of The Investment Dealers' Association of Canada The Toronto Stock Exchange

JAGUAR

THE MOST EXPENSIVE OF ALL JAGUARS, BUT AT A PRICE LESS **MARK IX**

than you would expect. Singularly elegant styling with disc brakes and power steering, and a wealth of power provided by the new 3.8 litre XK engine. This sedan is designed to satisfy the most demanding connoisseur.

Going to Europe? Inquire about Jaguar's Overseas Delivery Plan.

XK 150 PAINSTAKING WORKMANSHIP, WATCHMAKER PRECISION

go into every detail of the Jaguar XK150 Coupe. (Also available as a Convertible.)

SEE YOUR JAGUAR DEALER

One View of the Sixties

"Our hopes and ambitions will only be realized if Canada continues to fare well in the international trading sphere. Other countries besides Canada have been developing rich natural resources. Competition for export markets will be keener and this means costs must be kept down. In other words, the problem of the relationship of wages to productivity must be resolved. If it is not, prices will rise and we will lose our position in world markets."

This assessment of the sixties was made by A. C. Ashforth, president of the Toronto-Dominion Bank. He told shareholders at the bank's annual meeting this week that we cannot blithely assume the rapid rate of growth which occurred in the fifties will continue indefinitely.

One reason why the sledding may sometimes be rough: In much of the decade ahead those of working ages will be called upon to provide a higher standard of living not only for themselves—but for more old and for more young people as well. The number of Canadians in the teenage group and in the group 60 and over will increase significantly as a proportion of the total population. These will have to be carried by the working group—a group that will shrink, proportionately.

This means that a substantial increase in productivity is an absolute necessity. And that cannot be achieved unless our prices and wages are held in line with those of our competitors in other countries.

Like Alice, we may have to keep running to stay in the same place—and run faster still to gain ground.

Deserved Compliment

Very soon, in government liquor stores across the land, women with good hearts and kind faces will stand near the cash registers, silently asking for small gifts to some charitable cause.

They will collect handsome sums. The drinking members of the population are notably open-handed.

It is seldom remembered that the buyer of a Christmas package of liquor, before he drops his coin in the proffered slot, has already through taxation made a voluntary contribution of $5 to perhaps $50 or more to such good works as hospitals and education. It's voluntary because no one forces him to patronize the liquor stores and because there's no taxation without consent in free countries.

But he has no objection to giving another 25c or 50c. The appearance of the collectors in liquor stores, rather than anywhere else, is a remarkable and deserved compliment to the generosity of the drinking majority.

Going Up

North Americans are growing taller. It's reported that, in the 20-29 age group, 20% of the men are now 6-footers and 18% of the women measure 5 feet 7 inches, or more. Sixty years ago the corresponding figure was 4% for each sex.

There is one group of people who need no statistics to prove that the human frame is growing skyward. These are the 6-foot men themselves.

They rejoice that it is far easier today than it was 20 or 30 years ago to buy size-12 shoes, 7½ hats, shirts with 36 arms, off-the-peg coats and suits they can put on without bursting the seams. Such outsize habiliments are actually advertised now. Back in the 1920s it took laborious shopping to find them.

The clothing industries are keeping pace with the elongating masculine physique; but the same compliment can't be paid to some other manufacturers.

Chairs, theatre and bus seats, Pullman berths, hotel beds, bathtubs, and many other articles are still, for the most part, designed for the pre-1959 man.

One hesitates to add motor cars to the list; they are probably long enough, if not high enough, already. But an alarming thought occurs: What will the traffic problem be like when, in due course, everyone is seven feet high and cars are built to size?

Japan Sets an Example

Japan, it appears from a Washington statistical report, is the one overcrowded Asian country that has deliberately done something about an economic and social question rarely discussed in public by leading men anywhere. It's the problem of too many people on too few acres.

Japan's birth rate per 1,000 fell from 34.3 in 1947 to 18 in 1958. Its rate of population growth since 1953 has been 1.2% per year. This is the lowest figure for any country in Asia and contrasts with, for example, Formosa's "explosive" 3.6%. With a galloping increase like this, a nation takes less than 20 years to double.

The point to note is that after the war, the effect of which was to deny them living space in conquered overseas territories, the Japanese consciously decided to check their growth. Family limitation became an official policy; and it has been accepted as a guide by Japanese couples, though no more congenial to their tradition than to the tradition of most western lands.

In Canada, with plenty of room, a need for more people and a 2.5% rate of increase that could be stepped up with advantage, it may take imagination to realize that in some other countries a drastic decline in population is the best thing that could happen. Yet this is certainly so.

World population has passed the 2.5 billion mark; and experts predict that present growth, most marked in Asia, will take it to 5 billion by the end of the century.

This means that countries unable now to feed, clothe and shelter their inhabitants decently, notably China, will remain poor despite improving technology. It also means, which may be even more calamitous, that the most ancient and persistent cause of wars, the tendency of exploding populations to spill over borders and seize their neighbors' property, will be with us in aggravated form.

Assuming that humanity can somehow cope with the nuclear threat to survival, excess population is the most serious and urgent question facing this planet.

How to Save a Face

Premier Sauvé's roundabout scheme for acceptance of Dominion aid by Quebec universities is ingenious and serves a good purpose; but it's really only a face-saving expedient that doesn't alter the essential facts of the case.

Quebec province, under Mr. Sauvé's plan, adds one percentage point to its corporation tax; and Ottawa reduces its assessment of Quebec taxpayers by a corresponding amount. Quebec then pays the money to the universities, on the same scale and formula as Ottawa applies. Thus honor and autonomy are saved; the cheques will flow from the provincial treasury, not from that alien financier, Donald M. Fleming.

This is fine and dandy if it suits Mr. Sauvé; but the point of interest is that the tax abatement arranged with Ottawa is to last only so long as Quebec continues to pay the stipulated sums to its institutions of higher learning.

Thus, in effect, Ottawa acquires a say in some of Quebec's spending for educational purposes; and, from the point of view of a strict constitutional theorist, this must surely be an infringement of provincial autonomy just as serious as direct payments of university grants by Ottawa would be.

What matters, however, is that the Quebec universities get the money they need and can use; and so long as that is the practical result, the fiscal procedures are neither here nor there.

Are the Brains Underpaid?

The debate on civil service pay has shifted its ground in the past week or two.

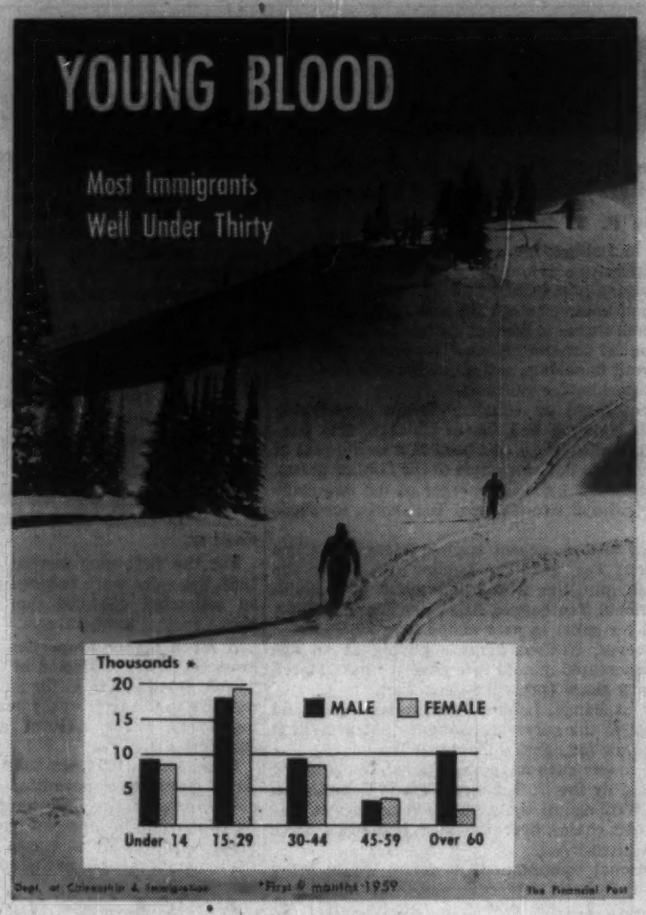
Originally the question was whether the Canadian government should grant an across-the-board increase of salary to all its employees. Now the point is made that the government will lose some of its most competent and senior professional workers if their emoluments are not raised.

These appear to be two different propositions; and the public would like to have them clarified separately.

The Civil Service Commission some time ago recommended a raise for all staff. Since 1945 the nation's civil servants have been granted a series of moderate increases, amounting cumulatively to about 60%. This gain has been related to the rising cost of living and it suggests that the government is, by ordinary standards a fairly "good employer".

Whether another all-round increase is justified now may be debatable. Two relevant points are that the government is not flush but in a deficit position and that it has evidently no difficulty in recruiting new civil servants; the staff, perhaps illustrating Parkinson's law, grows steadily from year to year.

If the government is under-paying its best brains, this is another matter. Civil service grades and salary levels are, of course, so arranged that, ordinarily, it's not feasible to improve the incomes of one group without giving everyone else an increase. This rule, nevertheless, must sometimes give way to the paramount necessity for top experts in the most senior advisory positions. If the government is in danger of losing these valuable men because its scale is too low, the question of their pay should be reviewable on its own merits.



Post Scripts

Up Through the Mill

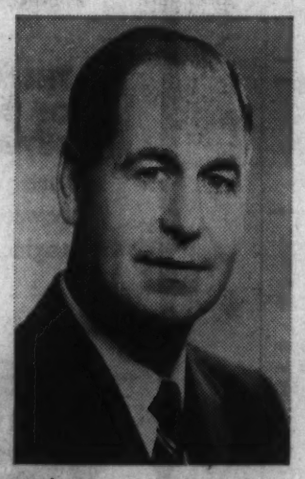
From assistant groundwood mill superintendent to vice-president in charge of manufacturing of Canada's second largest single newsprint plant (358,000 tons capacity)—that is the fast-rising career in the past dozen years of Cecil James Jeffery. He is 45.

Jeffery becomes a vice-president of Great Lakes Paper Co., Fort William, at an important time in the company's history: just after a $32 million expansion program.

A native of Sault Ste. Marie, Jeffery has literally "gone through the mill" since he began his pulp and paper career as a stone sharpener's helper nearly 30 years ago with Spruce Falls Power and Paper Co., where he worked for six years.

In 1938 he answered a help-wanted advertisement in a Vancouver newspaper, soon found himself in New Zealand starting the first groundwood mill for Whakatane Paper Co., then became assistant mill superintendent. In World War II he spent four years in North Africa and Italy with New Zealand's famed 27th Machine Gun Battalion attached to Montgomery's Eighth Army.

After the war he returned to Whakatane but stayed only six months before deciding to return to Canada in 1946 to join Kalamazoo Vegetable Parchment Co. which was



MR. JEFFERY

starting new machines at Espanola. He came to Great Lakes in 1947.

In 1947 he married the former Miss Marjorie Gray of Sault Ste. Marie. They have no children.

• • •

International Banker

Eric Pulton had one dominant idea when he joined the Bank of Montreal 30 years ago. He was dedicated to the business of international banking. And now he is taking over as superintendent of the international department at the bank's head office in Montreal.

Born in Croffgate, England, July 8, 1908, Pulton arrived here in 1930. Appropriately his first job with the B of M was with the head office foreign department as it was then known.

But, because he needed a rounded experience in banking before specializing, Pulton was sent to a branch in 1933. In his spare time he studied French and Spanish, and took up photography as a hobby.

After further service at head office, where he edited the bank's staff magazine for a couple of years, he was transferred to Ottawa main office where he became assistant accountant and later accountant.

In 1948 he was brought into head office again—back to the foreign department of which he became assistant manager. Four years later he was made assistant superintendent of the department and in that capacity made a number of trips to Latin America where his knowledge of Spanish paid off handsomely.

In 1957 Pulton was made European Representative of the B of M with

MR. PULTON

headquarters in Paris and once again the benefits of his early study came into play.

Pulton is married to the former Ann Mary Laing. When settled again in Montreal, they will live in a 200-year-old French stone house at St. Therese, which they occupied before going to Paris.

• • •

Traditional Pattern

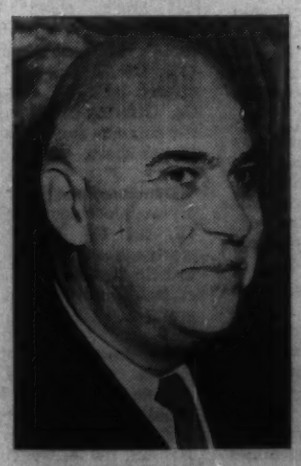
Following the traditional pattern of some of the biggest business figures of North America, W. A. Scammell Case in his 36 years with T. McAvity & Sons of Saint John, N.B., has climbed steadily from office boy to executive vice-president. Just recently he was elected first national vice-president of the Canadian Chamber of Commerce which brings him in direct line for the presidency.

Scammell Case has worked for three generations of the McAvity family, the fourth generation of which is now active. Thomas McAvity, the founder, gave his name in 1838 to the hardware and dry goods business that today is T. McAvity & Sons, Ltd., manufacturers of bronze, iron and steel valves, and of pulp mill, marine, mining engineers' and steamfitters' supplies. The business has remained in the family for almost 125 years. The company is one of the chief sources of employment in the Saint John area and has always attracted bright young men. One such was Scammell Case who came to McAvity's in 1923, straight out of high school and business college. He was given the job of office boy in the hardware division.

Active in community affairs Case is a Rotarian, and a former president of the Saint John Rotary Club. During his year as president, the Club's fund-raising program exceeded all previous records.

Scammell Case comes of United Empire Loyalist stock; his great-great-grandfather who was raised near Boston, coming to Saint John in 1783.

The Cases live in New Brunswick's newest city, Lancaster; immediately adjacent to Saint John.



MR. CASE

Ernest Watkins Says . . .

Ernest S. Watkins, lawyer, author and lecturer, is the lone Conservative member in the Alberta Legislature. Born in England, he first came to Canada in 1954 and moved quickly into the mainstream of Canadian life. He lives in Calgary.

A FEW days ago a small cloud, about the size of a man's hand, appeared on the social and economic horizon, in Calgary. It consisted of a single sentence in a newspaper account of a train journey westward, made by three English girls toward what is still, as they no doubt shrewdly recognized, for female secretaries the Land of the Golden Fleece. By some miscalculation, their roometto bookings had gone astray and they had been forced to travel in the day coach. The second night, one reported, had been broken and her rest gravely disturbed by the screams of an Indian woman whose wooden leg had become trapped in the floor of the passage connecting two coaches.

Even at first sight, the story bristles with unanswered questions. Screams of what? Rage, pain, frustration or sheer loneliness? Was the Indian lady too modest to attempt to regain at least some measure of freedom by releasing herself from the wooden leg, in the fear that you never know whom you may meet in a day coach? Do the crews on long distance trains ignore Indians, or female travelers with wooden legs, or only combinations of both? Do their union rules (or fears for their own safety) prevent them from venturing into day coaches after nightfall? These and other similar problems plagued my mind from the start.

Frightening Portent

But what turned a minor incident, one of the inevitable mysteries of travel, into a far more frightening portent was a thought that struck me near dawn about a week later. It came to me that until then I had automatically translated the words "wooden leg" as I read them into their proper journalistic equivalent, "artificial limb". But suppose the fresh, unfettered mind of this English girl had used the words literally? Suppose this unfortunate Indian woman had no more than a peg leg? If so, if that is all Indian men and women can expect to receive in replacement of a living limb—well, as anyone can see, the rest is only a matter of time.

It is fairly obvious that the locale of the first positive move will be determined by chance. Some press or corresponding secretary of some IODE branch, or Women's Canadian Club executive, will mention the interesting discussion her group had on Indians and wooden legs to some alert radio news reporter from some community-minded private radio station. When the item has spread over the province, the local CBC newsroom will mention it, and then the puck will be in play. One can be reasonably sure that the first active branch of the Canadian Society for the Replacement of the Wooden Legs of Indians by Artificial Limbs will be founded in either Winnipeg or North Vancouver, but will it be a Lions or a Kiwanis project?

If that were all, again one would not have too much to fear. It is Phase Two that contains within it the seeds of real danger to our way of life. As I see it, that phase may take one of two forms, and I am not well enough informed to know which path the flood will follow. Have we a thriving artificial limb manufacturing industry? If so, the first national president of CSRWLIAL will be a prominent Liberal, defeated in the last election (but not by too large a majority), who will be pressing for some measure of protection, in order that the additional capital needed for the industry's inevitable expansion may be safeguarded. If we have no such industry, the president will be a Conservative MP (a back bencher, of course) who will insist that any U. S. company establishing the industry here shall be required to give proper opportunity in it for the use of Canadian executive skill.

CCF Steps In

From there, Phase Three is a matter of course. It will be introduced by the CCF. They will demand that the Department of Indian Affairs do far more than it already has (if anything), to which challenge the department will rise with joy and abandon. First to be born will be the Bureau of Artificial Limbs, with Directors, Assistant Directors, Assistants to Directors, etc., and a subsequent proliferation of technical staff, from the simple Limb Measurers, Fitters and Adjusters, male and female, to more exotic advisers in design and coloring of artificial gloves for artificial hands.

Of course, the later electronic refinements will help to fill in the gap left by the Arrow, but at what cost to society as we know it today? After Indians, Eskimos, and then—well, you can guess. At some moment of time a minister, strangely resembling an election harbinger, will announce that the plan, at last, is to be extended to white Canadians as well. We shall be irretrievably lost on the slope into state hospitals and state medicine.

It's all so silly. If only some train conductor had pulled the woman's peg loose from the coupling.

What Others Are Saying

No Wonder They Quit School

Calgary Herald

Much is said these days about the failure of parents to provide the necessary stimulus and encouragement from outside the school. A good deal of this criticism is justified in many cases. But the school cannot escape its responsibility as the chief factor in child education.

If a lot of high-flown pedagogical nonsense could be stripped away from the thinking of our educators and officials, if the school courses could be beefed up and a lot of modernistic fat pared away from them, if the youngsters could be taught how to work instead of how to play, the problem of school drop-outs would decline immeasurably.

IT IS QUITE LIKELY that some classes of the civil service are underpaid and should have raises, says the **Brooks (Alta.) Bulletin.** "But a general increase 'across the board' is unjustifiable. There have been seven increases in the past eight years. A general increase now that would cost close to a quarter of a billion dollars annually is beyond all reason."

• • •

IT'S NOT GOING TO BE easy getting immigration free flowing again, argues the **Regina Leader-Post.** "But once this has been achieved, the hope is that this and succeeding governments will profit from the experience by mustering the requisite courage to withstand pressure to reduce immigration to Canada the next time a temporary economic squall blows up."

• • •

IT IS AMAZING how so many people forget where the telephone was invented, comments the **Brantford Expositor.** "We thought that, over the years, we had done a pretty fair job of maintaining our community's proud and justifiable claim to be the Telephone City. But we have to keep repeating it in order to correct parroted misstatements."

Stop Me If . . .

A Sultan annoyed with his harem.
Thought up a good way to scarem;
He brought in a mouse
Which he freed in the house,
And called the result harem-scarem.

• • •

An old lady went to a tombstone cutter's office to order a stone for her husband's grave. After explaining that she wanted no frills, just a small stone, she told him "put the words, To My Husband, in a suitable place."

Upon delivery, to her consternation, she saw the words:

"To My Husband, In A Suitable Place."

The Financial Post

Member Audit Bureau of Circulations
Member Business Newspapers Association of Canada

RONALD A. McEACHERN, Editor.

News Editor: C. C. Milne.
Assistant News Editors: Robert Perry, John Irwin.
Investment Editor: Paul S. Deacon.
Assistants: Vincent Egan, H. R. Suydam, Pat Durrant.
Mines and Oils Editor: Frank Kaplan. Assistant: Alex Wilson.
Chemical Industries Editor: W. Lawrence Dack.
Travel Editor: Beatrice Riddell.
Special Assignments: D. R. Francis, Forbes Gilbertson, Philip G. Hunt, Ray Magladry.
Artists: Manfred Gothans, Walter Kopacz, Eugene Duplantier.

Associate Editors: J. B. McGeachy, Dalton Robertson, Robert Marjoribanks, Gordon L. Smith.
Ottawa: Michael Barkway, 205 Clemow Ave., Central 2-6349. Leslie Wilson, 30 Kilberry Crescent, SHerwood 6-0995.
Montreal: Jack McArthur, Clive Baxter, Eric Richter, Vincent Lunny, 1242 Peel St., UNiversity 6-9041.
Washington: C. Knowlton Nash, 2732 Jocelyn St. N.W.; EMerson 3-6408.
Contributing Editor: J. K. Edmonds.

Advertising Manager: Austin A. Weaver.
Circulation Manager: Robert H. Olivella.
Promotion Manager: Stanley E. Caldwell.
Eastern Manager: Murray R. Chipman.

Subscription — Single copies 25c. Yearly in Canada $8 (two years $14); all other countries $9 (two years $16).

Advertising Rates: Single insertion $8.80 per column inch. Contract rates upon request.

Authorized as second-class mail, Post Office, Ottawa. (Send forms 29B and 67B to Toronto address).

Indexed by The Canadian Index of The Canadian Library Association published monthly and cumulatively annually.

Other Publications and Services of The Financial Post
CORPORATION SERVICE. A. C. Bowman, manager. Complete service, $36 monthly. For individual investors, $10 a year for service on 5 companies; additional companies $2 each.
SURVEY OF MARKETS. Yearly $4.
SURVEY OF INDUSTRIALS. Yearly $4.
SURVEY OF MINES. Yearly $4.
SURVEY OF OILS. Yearly $4.
DIRECTORY OF DIRECTORS. $15.

Published and Printed by
MACLEAN-HUNTER PUBLISHING COMPANY LIMITED
TORONTO 2: 481 University Avenue, EMpire 3-5511.
MONTREAL 2: 1242 Peel St., University 6-9041.
VANCOUVER 3: Room 1004, 1030 West Georgia St., MU. 5-8254.
BREMEN: West Germany, Auf den Hatten 13-19.

HORACE T. HUNTER
Chairman of the Board
FLOYD S. CHALMERS, President
DONALD F. HUNTER, Vice-President and Managing Director

MACLEAN-HUNTER LIMITED
LONDON: Wellington House, 125 Strand, London, W.C.2. Cable Alabek: Temple Bar 1438.

MACLEAN-HUNTER PUBLISHING CORPORATION
NEW YORK 17: 341 Madison Ave.; Oregon 9-8200.
CHICAGO 3: 79 West Monroe St.; Randolph 6-2626.

Representative
DUNCAN A. SCOTT & CO.
San Francisco 4: Fifth floor 85 Post St., GArfield 1-7950.

December 5, 1959

Even in Russia Marx is Out-of-Date

In Britain and Germany, too, Socialists abandon the dogma . . .

By J. B. McGEACHY

THE NEWS FROM what might be called the Marxist front is decidedly confusing these days. Anyone reading it might be excused for supposing that he had strayed with Alice into Wonderland or to the even more cockeyed world she found through the looking-glass.

When Hugh Gaitskell wants to scrap nationalization, the German Social Democrats toss Karl Marx out the window and Nikita Khrushchov calls for abolition of income tax, it's clear that the comrades' camp is in a state of disarray, to put it mildly.

Something more important than a changing of the guard is going on. Living ideologists are standing on their heads; expired ones must be whirling in their graves.

To me the point of the story is that Karl Marx is dead, in more ways than one. His influence has been tremendous but it's now an accomplished fact of past history. The great argument that has occupied many of the brightest brains for a hundred years, socialism versus capitalism, is coming to an end; it will soon be as irrelevant and old-fashioned as the medieval debate about how many angels could stand on the point of a needle.

But leaving aside this theorizing for a moment, let us consider the meaning of the events just listed and some others I shall mention.

Gaitskell, probably the best mind in Britain's Labor party, asks his followers to ditch their doctrinaire plank calling for nationalization of the means of production. Since he has just led Labor to its third straight electoral defeat, his startling suggestion might seem to be nothing but a tactical, vote-getting move; but surely this interpretation would not do him justice.

Undoubtedly Gaitskell wants to win votes; but he is proposing to do so by recognizing a palpable fact. The British people have correctly noted that their wealth, welfare and progress are in no way dependent on the expansion of public ownership; and Gaitksell sees that he might as well go along with them in acknowledging this inescapable truth. It's good strategy no doubt; but it's also wise acceptance of economic realities as discovered by experience.

The Laborites may or may not, by formal motion, do as Gaitskell tells them; but the leader makes policy and, in effect, general and indiscriminate acquisition of industries by the state is already dead as a Labor plank. This means it's important to note, that the party is no longer a Socialist party in the true historic sense. Socialism without public ownership is Hamlet without the Prince of Denmark, the Catholic Church without the Pope, music without the diatonic scale, bread without flour.

It's true that many Socialists reject parts of Marx; they may not like his materialism, his atheism, his Hegelian dialectic or his advocacy of violent means. Nevertheless, the heart and soul of Socialism is the Marxist doctrine that only the state can be a humane boss.

No private firm, argued Marx, ever could or would pay fair wages: he based this theory on the classical "iron law" that wages must always and inevitably be just equal to the cost of keeping the hired hand alive, and no more.

Though the "iron law" was exploded generations ago, Socialists clung to the view that workers would at any rate get a better deal from the state than from free enterprise. Now Gaitskell concedes that this isn't so. He concedes, in other words, that the "capitalism" Marx attacked has been reformed and transformed out of all recognition.

J. B. McGEACHY

"Khrushchov, heir and exponent of a revolution, could not very well disown his patron saint at this early date; but, though he still sings the hymns, he doesn't really talk like a true Marxist any more."

This revolutionary change, marked by the rise of trade unions, the spread of welfarism and the stiffening of income taxes to a point near confiscation, is a fact of common knowledge. What is interesting is that Socialists now admit it and agree (as even Khrushchov agreed in the U. S.) that the employees of private enterprise can and do live very well indeed. With this admission the whole theoretic fabric of Socialism crashes to the ground.

Gaitskell's performance was more than matched last month by the Social Democrats of West Germany. This party, founded in 1870 in the land of Karl Marx' birth, is the dean of all Marxist organizations on earth and it remained, for 89 years, doctrinally faithful to the master.

Now, by a large majority, the Social Democrats have explicitly renounced state ownership of industry and called for "free competition in a free society". No wonder a German magazine uses the fateful Wagnerian word "Gotterdamerung", the twilight of the gods, to describe what is happening to Socialism in the western world.

What is happening to it in the Soviet Union? Nothing dramatic so far, the Russians are not ready — yet — to repudiate Old Father Karl; but there are glimmerings on the horizon.

To begin with, the mere fact that North American workers eat steaks and drive motor cars, as observed by Mr. K, is in itself a total refutation of Marx. (I dislike being repetitive on this point; but it's a neglected truth.)

Khrushchov, the heir and exponent of a revolution, could not very well disown his patron saint at this comparatively early date. For the sake of Russian morale it's perhaps necessary to keep up the paean of praise to the revealer of immutable truth; but Khrushchov, though he still sings the hymns, doesn't really talk like a true Marxist any more.

Take, for example, his conception of co-existence. His own words on this theme have been frequently quoted. For a change, let us hear from one of the underlings. Here is Andrei Gromyko speaking to a meeting of the Supreme Soviet of the USSR on October 31, and remember when reading him that Gromyko, according to Khrushchov, says whatever Khrushchov tells him to say:

"The peaceful co-existence of the two systems, communism and capitalism, has become an objective necessity, provided there is no wish to wilfully push the world into the abyss of war."

This sentence would have been incomprehensible to Marx, coming from a true believer. "The two systems", words suggesting rivals with an equal right to exist, is a phrase with overtones foreign to Marxist thinking; and the proposition that they must, or even can, live together in peace is totally repugnant to the founder's faith. He preached that a final, decisive war between them was bound to occur.

This war, says Khrushchov now, is "no longer inevitable"; and here is an interesting example of double-talk. It is as though Copernicus had announced: "The sun no longer revolves around the earth." If the war is no longer inevitable, it wasn't inevitable at any time; and so Marx was wrong. Khrushchov stops short of saying anything so heretical.

But he does push his idea of peace with the U. S. to quite fanciful lengths. Probably not one single American noticed that this month marks the 150th anniversary of Russo-American diplomatic relations; but the Soviet News Bulletin has an enthusiastic article about the anniversary. Comrades and friends for a century and a half — that's the theme.

In the sphere of economic management the Soviet Union is still stuck with the system created by Lenin; and it now seems natural and normal to Russians, or all of them who have grown up since 1917, that the state should own and operate all industry. The idea of private ownership strikes them as alien and outlandish; but they are much less evangelical on this point than they were and their official economic practise is highly un-Marxist in spirit.

Khrushchov has recently attempted, though without success, to explain to the Chinese that communal agriculture won't work. Much better, he says, the Russian system of collective farms, which are in effect co-operatives run by peasant smallholders. These peasants are indeed subject to state control but perhaps not more so than American farmers who have signed soil-bank contracts.

Public ownership of industry, as envisaged by Marx, was a means to an end; and that end was economic equality. As anyone can discover by looking up the Marx-Engels Communist Manifesto of 1848, point one was the abolition of private property but points two and three were: "a heavy progressive or graduated income tax; abolition of all rights of inheritance."

These look like pretty explicit instructions from the all-highest in Red ideology; but they are totally disregarded by the disciples.

Property may be bequeathed in Russia. There is no tax on estates though Khrushchov is said to be thinking of imposing one because of the indiscretions of some of the idle rich. There is an income tax in Russia (top rate: 13%) but the latest budget law, as reported in the Soviet News Bulletin, holds out a promise that it will shortly be abolished.

It makes no sense to brush off this news by explaining that the Moscow government, controlling all production and trade, gets its revenue by taking a whack out of prices and consequently needs no tax on incomes. This is perfectly true; but the fact remains that the abolition of income tax is as un-Marxian as any measure could possibly be. Russian incomes today are about as unequal, proportionally, as North American incomes; and the tax change will widen the inequality.

The Marxian promise of a classless society has apparently gone with the wind.

Let us turn to an American document of high interest in this discussion. It's a two-volume, 543-page report from a committee of the U. S. Congress on "Comparisons of the United States and Soviet Economies". The committee was especially interested in finding out why GNP is increasing annually at the rate of about 9% in Russia, against only 3.5% in the U. S.

Believe it or not, I have looked through this report and found almost no ammunition for blasting the Marxist theory. Instead of indulging in ideological fun and games, the committee's experts have treated the two systems as comparable going concerns, and have shown how they stack up against one another in technical efficiency.

They point out, for example, that Russian managers, unlike American managers, get up to 30% of their pay in bonuses for reaching or passing quotas; here is a strong incentive for hard work. The point of interest, in the present argument, is that this device is not to be found in the Marx blueprint and, indeed, might be adopted by capitalist firms if their unionized workers would let them get away with speed-up programs.

Old man Marx, as it seems to me, is becoming less and less important except as a picture on the wall. He had his say, he exerted an influence but he is no longer relevant. Socialists outside Russia disown him. Socialists inside Russia, without going so far as that, are running a managerial economy (not unlike ours) that flouts and disdains the Marxist dogma.

The question, then, is not whether Marx was right or wrong; that is a dead controversy. The question is where we go from here. It might take a political Einstein to supply the answer but no such genius is in sight at the moment. This being so, lesser minds are free to make a stab at it.

Perhaps Julian Huxley, the biologist, is on the right track. He says that sooner or later, maybe next week or next year, someone will write a book expounding a new doctrine, a new religion if you wish, reconciling the seemingly warring sects of 1959. Huxley says it will be based on the evolutionary theory. Anyway, it will offer a guide to modern man and bury, with other defunct debates, an ideological dispute that has become little more than a mouthing of shibboleths.

All of this, the reader may say, leaves the Chinese out of the story; and indeed it does. The Chinese are giving Khrushchov a lot of trouble, both ideological and territorial, and it can't be clear to anyone at this moment just how they would fit into a world united in purpose.

For December Investment . . .

More complete information on the shares listed below is contained in our December issue of "Investment Suggestions" a copy of which is available upon request.

Bonds	Rate %	Maturity	Current Price	Approx. Yield %
Canada Savings Bonds—Series 14	4-5	1968	100.00	4.98*
Government of Canada Guaranteed †Canadian National Railway Company	5¼	1985	98.50	5.86
Province of Ontario	6	1979	100.25	5.97
Province of Quebec Guaranteed Quebec Hydro Electric Commission	6	1969	100.25	5.98
Province of Alberta Guaranteed Alberta Telephones Commission	4¼	1978	81.50	5.90
Province of British Columbia Guaranteed British Columbia Power Commission	5	1964	95.85	6.00
Municipality of Metropolitan Toronto	6	1979	97.25	6.24
City of Victoria, British Columbia	5½	1963-74	93.86	6.30
United Counties of Northumberland & Durham, Ont.	6½	1965-79	100.45	6.45
British Columbia Electric Company Ltd.	6	1984	108.75	5.36
Canadian Pacific Railway Company	4	1969	85.00	6.02
Toronto Star Limited	5½	1978	93.25	6.11

Stocks				
Toronto Star Limited	$3.00+1.00	Preferred**	$39.50	6.72
Bank of Montreal	1.60+.25	Common	54.00	3.43
Canada Permanent Mortgage Corporation	2.00	Common	55.50	3.60
Abitibi Power & Paper Co. Limited	1.70	Common	39.50	4.30
Bell Telephone Company of Canada	2.20	Common	42.75	5.15
Burlington Steel Company, Limited	.60+.25	Common	17.75	4.79
Canadian Pacific Railway Company	1.50	Common	24.00	6.25
The Consumers' Gas Company	1.00	Common	38.25	2.61

†If, as and when issued. *Average yield to maturity. **First Participating Preferred Shares.

Continuance of extra dividend payments as shown should not necessarily be assumed.

All bond prices are plus accrued interest; shares are subject to stock exchange commission. Bonds are offered by us as principals, shares are offered by us as agents. All offerings are subject to confirmation.

A. E. Ames & Co.
Limited
Business Established 1889
TORONTO

MONTREAL NEW YORK LONDON, ENG. VANCOUVER VICTORIA WINNIPEG CALGARY
LONDON HAMILTON OTTAWA KITCHENER ST. CATHARINES OWEN SOUND QUEBEC
BOSTON, MASS.

Let us show you how to save, invest, and safeguard your money to greater advantage. Write, 'phone, or call in at any Huron & Erie—Canada Trust office for details of our services.

Plan every step with
Huron & Erie - Canada Trust

Calgary Chatham Edmonton Guelph Hamilton London (S) Montreal New Westminster Regina St. Catharines St. Thomas Sarnia Toronto Vancouver Victoria Windsor Winnipeg

E-29

Quebec Builders Discuss Mortgages

Annual Quebec regional housing conference, sponsored by National House Builders Association and Quebec District Home Builders Association, will be held in Quebec City next week.

Main topics: Availability of mortgage money, land servicing, market trends and house design.

Mortgage lending experts taking part: Alexandre Boutet, Quebec superintendent, **Banque Canadienne Nationale**, representing the Canadian Bankers Association; Jean-Paul Tardif, president, **Quebec Mortgage Corp.**; Louis Gagnon, mortgage manager, **Mutual Life Insurance.**

Some of the other participants: Edouard Fiset, town planner, architect and president, Quebec Chamber of Commerce; Eme Lacroix, consultant on municipal affairs, City of Montreal; Marcel Therien, Montreal real estate consultant; Paul Emile Larose, sales manager, **Quebec Public Utilities Commission**; Mme Pauline Rouillard, architect; George McMaster, manager, **J. L. Demers Building Supplies**; Yves Barette, president, **Robar Construction Inc.**; Rolland Coté, manager, **Quebec Co-operative House Builders.**

Another example of Addressograph automation:

NOW! "CREDIT CARD" CONVENIENCE AND ACCURACY FOR EMPLOYEE, STUDENT, OUTPATIENT IDENTIFICATION

The immediate identification and accurate transfer of information which is provided by modern self-writing credit cards, is now available for much wider use. New Addressograph ID cards make this possible. These sturdy, plastic cards identify by name and picture. Information from the card can be quickly transferred to any document or record with absolute accuracy, 100% legibility. Result: Time-saving convenience that puts you dollars ahead!

Some of the many uses: As early and tardy gate passes to eliminate time clocks; to record stock withdrawals; for tool crib records; for positive recording of pay receipts; for time-saving use on all registration or record forms. Outpatient departments, libraries, schools, universities, clubs and associations also find Addressograph ID cards invaluable.

For information on how the Addressograph ID card system will save you money, **call the man from A-M!**

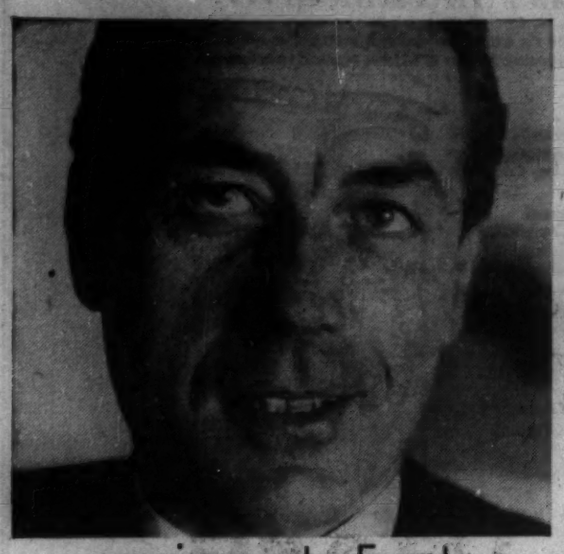
Branches throughout Canada

CUTTING COSTS IS OUR BUSINESS

Addressograph-Multigraph OF CANADA LIMITED

SERVING SMALL BUSINESS • BIG BUSINESS • EVERY BUSINESS

BOAC flies...



engineers to Egypt

tycoons to the Tropics

grandfathers gently

or any cargo anywhere

For full details of BOAC's world-wide de Luxe, First Class, Tourist and Economy Class services, consult your Travel Agent, Railway Ticket Office or British Overseas Airways Corporation.

BOAC

THE MOST EXPERIENCED JET AIRLINE IN THE WORLD

Waste Process Cost Cutter

(CONTINUED FROM P. 1)

fast, relatively cheap process will do much to end the river and lake pollution that is becoming a costly and unpleasant problem for major cities (FP, Aug. 23, 1958).

• **Work is going ahead** on the task of adapting the AST process to many other waste disposal problems and, possibly even more important, to productive processes in many industries.

This possibility of increased industrial efficiency and new production processes is drawing world-wide interest.

Most public speculation has flurried around Beaconsfield and sewage treatment (FP, Aug. 22).

This week the town, reassured by its successful operation of its AST sewage unit and by a provincial health ministry okay, accepted the unit provisionally, agreeing to pay 80% of the cost now and the rest later.

This looks like the payoff to a gamble by the Research Institute and National Welding. The two had provided the know-how, while the company furnished the unit.

Installed cost is $35,000. This amount is "substantially less" than the cost of a conventional bacterial digester and drying beds, with their auxiliary equipment and higher operating costs.

It's a small installation, covers only 40 sq. ft.

With Beaconsfield moving to fight water pollution, through AST treatment, there's likely to be strong pressure on other Montreal-area communities to do the same.

The waters around the big city—like those near Toronto—are becoming increasingly unsightly, odorous and useless for swimming.

AST proponents don't claim their process solves the pollution problem, although it moves a long stride toward solution.

Its economy is an incentive for its installation, thus eliminating the dumping of raw sewage into streams.

However, AST must still be accompanied by a sewer system and settling tanks. A large overflow from primary settling tanks still is chlorinated and sent into lakes or rivers.

A big advantage: In large communities, it's expected to prove economical to install many small AST units rather than the very extensive and costly facilities now used.

Basically here's what happens in the Beaconsfield unit:

The reactor is an empty tower whose wall is kept at very high temperatures. The sewage solution is atomized, "sprayed" into the tower from the top. Within a few seconds organic materials burn, bacteria and odors are destroyed and a small amount of harmless inorganic ash results.

It may be possible to recover both heat and water from the process, although this isn't being done at Beaconsfield. The result should be further economy of operation.

Comments Dr. Theo-J. Lafreniere of the Quebec Health Department:

"Now that this AST treatment has been proven technically feasible and not too costly for a small community to install, there is little reason for other communities the size of Beaconsfield that require a treatment plant not to consider using it—or for much larger communities not to take a serious look at it."

National Welding, meanwhile, expects to see AST become a major part of its business. Its AST expert is Douglas J. Inglis, Scottish sanitary engineer, who got special training at the Research Institute.

In addition to National Welding, a number of other companies have agreements with the institute. These deals, basically, are non-exclusive, licensing pacts with firms that design and build — or oversee the building of — new plants using AST in some way.

Licensees include **Ernest Scott & Co.**, of Scotland; **Dominion, Scott, Barron Ltd.**, Toronto; **Lummus Co.**, New York; **Blaw-Knox Co.**, Pittsburgh; **Stolle Corp.**, Sidney, Ohio; **Infilco Inc.**, Tucson, Ariz.

In addition to the institute's there are a number of experimental AST reactors in existence. These include one operated in the U. S. by **General Electric** to study the concentration of radioactive wastes.

Dr. Lincoln R. Thiesmeyer, president of the institute, says, "I do not believe we have more than scratched the surface of potential industrial applications. We have not even begun to explore the possibilities for AST in very high temperature ranges (above 2,500 deg.F) or in nuclear reaction systems."

The idea upon which AST is based was propounded by Dr. William H. Gauvin, associate professor of chemical engineering at McGill University and head of the institute's chemical engineering division.

It was in 1953. The project was one of some years' standing, concerning recovery of sulphur from spent liquors of sulphite pulping.

Gauvin suggested that a dilute solution of the liquor be atomized directly into the top of a heated tower. The result was a promising process based on achieving a cloud of solid particles suspended in a vapor of superheated steam — atomized suspension.

Patents have been secured in Canada, the U. S., seven other nations. Patents are pending in six.

It soon became evident there was possibility of many chemical or other changes during such a process.

There's talk now of possible application of AST to primary pulping and bleaching in the pulp and paper industry; in many primary chemical processes; aboard ship, to oxidize waste oil and the like; and even in AST units for households or commercial buildings.

The latter would handle toilet and other household and office wastes. It's already under experimentation at the research institute.

"We would welcome the cooperation of a well-heeled and technically competent sponsor to finance further work," says Thiesmeyer.

Success would be a prize of great value — construction of new buildings and suburbs could go ahead free of worry about waste disposal and without being connected with a sewage collection system.

Trans-Canada Corp. Fund Makes New Appointments

MONTREAL (Staff)—**Trans-Canada Corp. Fund** continues to grow and diversify.

Latest acquisition: **Eagle Shoe Co.**

Founded in 1908 by the late Oscar Brunet, company manufactures the Strider shoe for men. Aim of Trans-Canada Fund, which acquired the company from the Brunet family of Montreal, is to increase production from 1,000 pairs to more than 2,000 daily.

A possible retail outlet for extra sales: **Dupuis Frères Ltée.**, big east end department store, in which the investment trust has a substantial interest.

New president and general manager of Eagle Shoe Co. is G. Edmond Frenette, president of Librairie Beauchemin Ltée., another Trans-Canada subsidiary, and a director of **Slater Shoe Co. of Canada.**

Other officers: J. Louis Levesque, vice-president; Pierre Mercier, secretary and director; and J. C. Belle Isle, treasurer.

Other directors: Gerard Favreau, Andre Charron, Joseph Vachon and Stanley E. Brock.

Last month Trans-Canada Corp. acquired **Provincial Raceways Inc.** for $2 million, giving it a monopoly on Montreal's 100-day harness racing season.

Appointment of Paul Dansereau as Provincial Raceway's president and general manager was announced this week.

A past president of the Montreal Real Estate Board, Dansereau also is chairman of **Blue Bonnets Raceway Inc.**, another Trans-Canada subsidiary.

Vice-president is Andre Charron, executive vice-president of Trans-Canada. Treasurer and assistant general manager is Raymond Lemay, who had been associated with the company under previous ownership.

Canada Lures World Firms

(CONTINUED FROM P. 1)

explosives, photographic papers and camera equipment).

This was virtually double 1953 volume.

Aspirin has been one of the company's most widely distributed products.

The Bayer aspirin sold in Canada, however, has nothing to do with the German firm now.

After World War I the subsidiary company in the U. S. was expropriated and sold to another U. S. firm, **Sterling Drug**, which succeeded in having the trademark also registered in Canada.

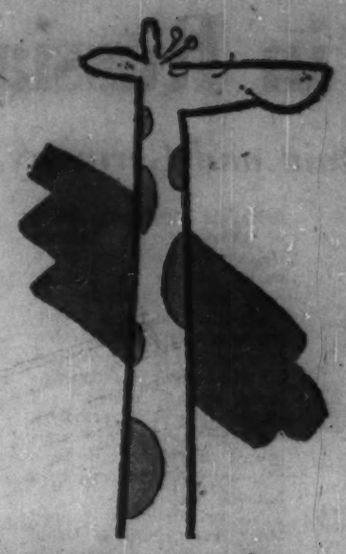
There's a complicated trademark lawsuit pending in the U. S. now between Bayer and Sterling.

Cdn. Cottons Shareholders Accept Offer

Canadian Corporate Management Co.'s offer to purchase the common shares of **Canadian Cottons Ltd.** has been accepted by holders of more than 90,000 common shares of the textile firm.

L. C. Bonnycastle, managing director of Canadian Corporate Management, says all conditions attaching to the offer (which expired Nov. 30) have been met. Price was $27 per share.

One condition of the offer was shareholders' approval of a resolution authorizing directors to extend Canadian Cottons' activities either within or outside the textile industry. This was approved at a meeting in October.



IMPORTANT EXECUTIVES STICK THEIR NECKS OUT IN HAUGHTON FURNISHED OFFICES

Executive and general office settings created for you by HAUGHTON experts - with undivided attention and responsibility given to all planning and construction details.
Co-ordinated office interiors help increase prestige, lift morale and raise efficiency.
Talk it over with your Haughton design expert.

DESIGNERS and BUILDERS of EXECUTIVE and GENERAL OFFICES

Haughton

C. F. Haughton Limited

HEAD OFFICE: 2941 EGLINTON AVE. EAST, SCARBOROUGH, ONTARIO
TELEPHONE: AM. 1-7153

MODERN SHOWROOMS at 515 YONGE STREET, TORONTO
WAlnut 5-5103

BANK OF MONTREAL

Canada's First Bank

Founded in 1817

CONDENSED GENERAL STATEMENT

October 31st, 1959

ASSETS

Cash on hand and due from banks and bankers		$ 302,015,952
Cheques and other items in transit, net		197,816,881
Government of Canada and Provincial Government Securities, at amortized value		680,591,333
Other securities, not exceeding market value		205,646,327
Call Loans		192,284,785
		$1,578,355,278
Commercial and other loans		1,353,187,079
Mortgages and hypothecs insured under the National Housing Act, 1954		227,153,276
Bank Premises		47,009,972
Customers' liability under acceptances, guarantees and letters of credit, as per contra		44,367,590
Other Assets		9,620,377
		$3,259,693,572

LIABILITIES

Deposits		$2,998,208,008
Acceptances, guarantees and letters of credit		44,367,590
Other Liabilities		15,767,243
Capital authorized — 7,500,000 shares of $10 each	$ 75,000,000	
Capital paid-up — 6,056,909 shares — issued and fully paid	$ 60,569,090	
Payments received on account of 18,091 shares not yet issued	80,423	
	$ 60,649,513	
Rest Account	139,628,928	
Undivided Profits	1,072,290	201,350,731
		$3,259,693,572

NOTE:

The rest account has been increased by the transfer of $3,000,000 from tax-paid reserves, $2,000,000 from undivided profits, and by $14,628,928 received as premium on capital stock subscriptions.
Completion of the present stock issue will result in paid-up capital of $60,750,000 and rest account of $139,850,000.

STATEMENT OF UNDIVIDED PROFITS

Earnings for the year ended October 31st, 1959, after making transfers to inner reserves, out of which full provision for diminution in the value of investments and loans has been made and after provision for depreciation of bank premises		$ 24,833,660
Provision for Income Taxes		12,642,600
Leaving Net Profits of		$ 12,191,060
Of this amount shareholders received or will receive by way of dividends		10,684,730
Net additions for the year		$ 1,506,330
Undivided Profits at October 31st, 1958		1,565,960
		$ 3,072,290
Transferred to Rest Account		2,000,000
Undivided Profits at October 31st, 1959		$ 1,072,290

G. ARNOLD HART, *President*
R. D. MULHOLLAND, *General Manager*

BOARD OF DIRECTORS

Chairman of the Board
ARTHUR C. JENSEN

President
G. ARNOLD HART

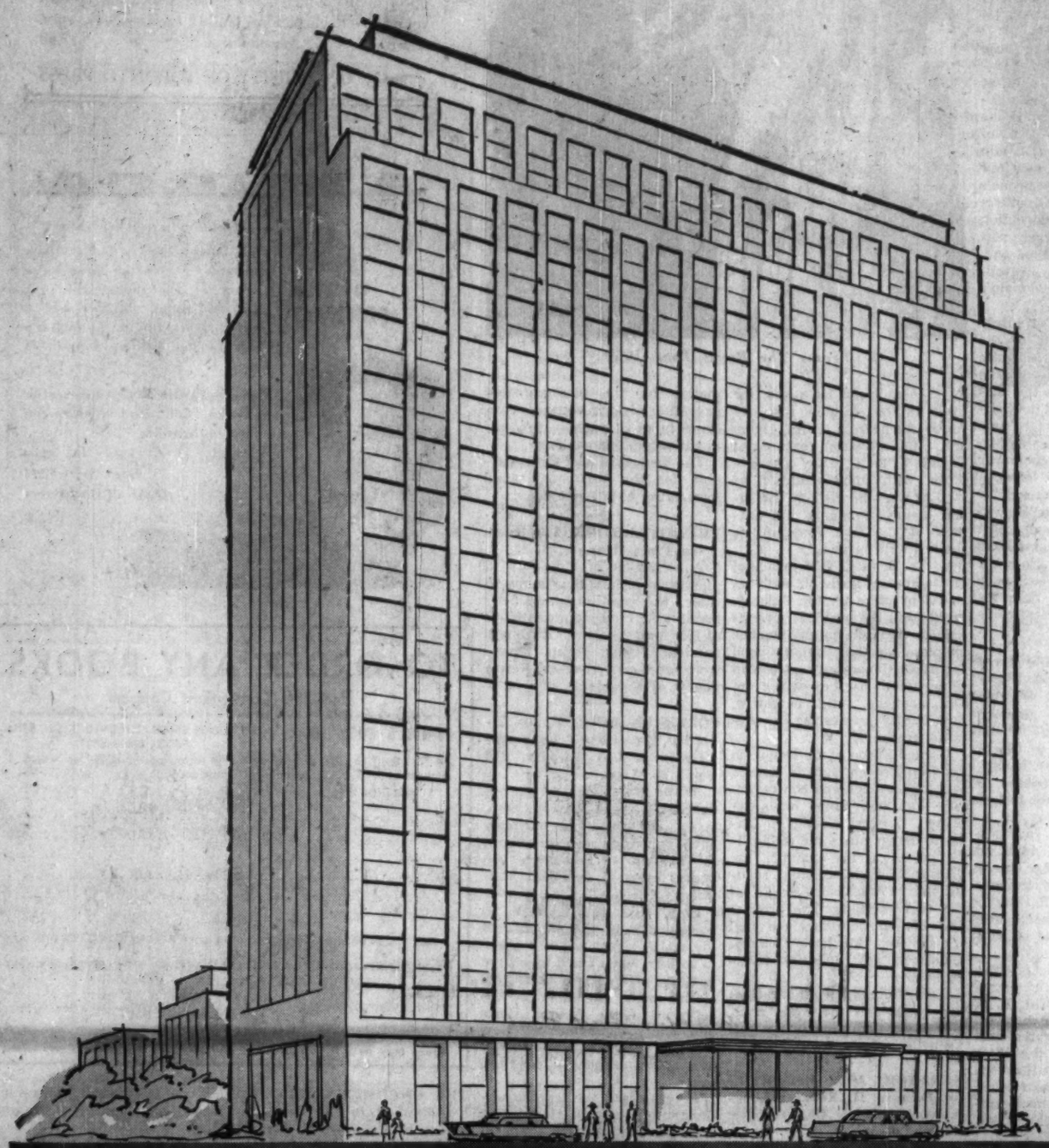
Vice-Presidents
LOUIS E. LANG
JOHN A. MacAULAY, *Q.C.*

L. J. BELNAP
G. BLAIR GORDON
ROBERT A. LAIDLAW
R. G. IVEY, *Q.C.*
J. V. R. PORTEOUS
B. C. GARDNER, *M.C.*
R. C. BERKINSHAW, *C.B.E.*
HENRY G. BIRKS
R. F. STAVERT
GEORGE W. BOURKE
NOAH A. TIMMINS, *Jr.*
Col. The Hon. CLARENCE WALLACE, *C.B.E.*
The Hon. HARTLAND deM. MOLSON, *O.B.E.*
H. GREVILLE SMITH, *C.B.E.*
R. E. POWELL
ROBERT J. DINNING
HAROLD S. FOLEY
H. G. HILTON
W. A. ARBUCKLE
THOMAS W. EADIE
HENRY S. WINGATE
N. R. CRUMP
H. ROY CRABTREE
RALPH B. BRENAN
The Rt. Hon. CLARENCE D. HOWE, *P.C.*
H. C. F. MOCKRIDGE, *Q.C.*
JACK PEMBROKE, *C.B.E.*
PAUL BIENVENU
D. R. McMASTER, *Q.C.*
KENNETH J. MORRISON, *O.B.E., F.C.A.*

General Manager
R. D. MULHOLLAND

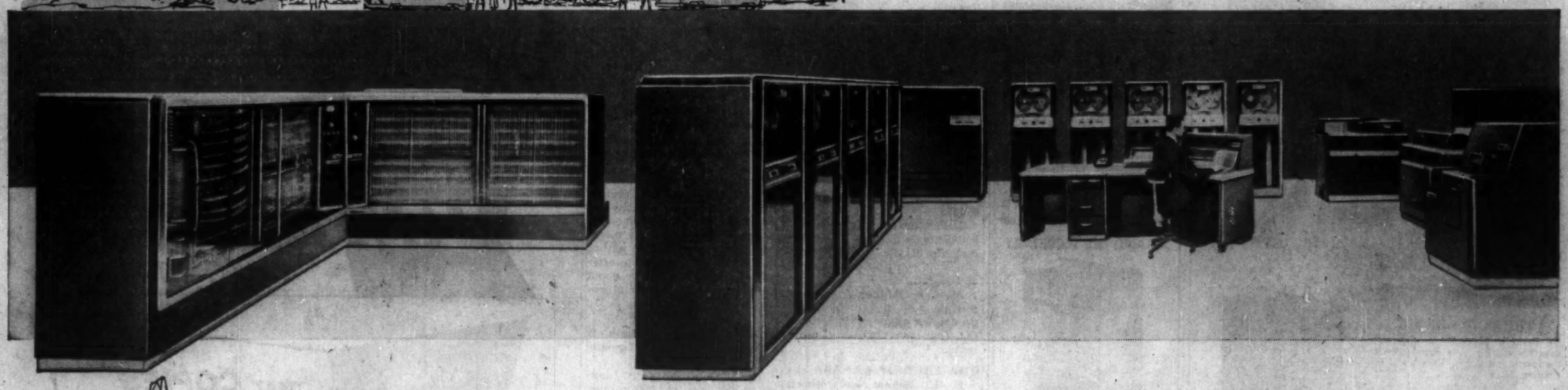
The BANK OF MONTREAL spans Canada with 800 branches, and it has offices of its own in London, New York and San Francisco, a Resident Representative in Chicago, a European Representative in Paris and offices at eight centres in France and Germany serving Canada's NATO forces.

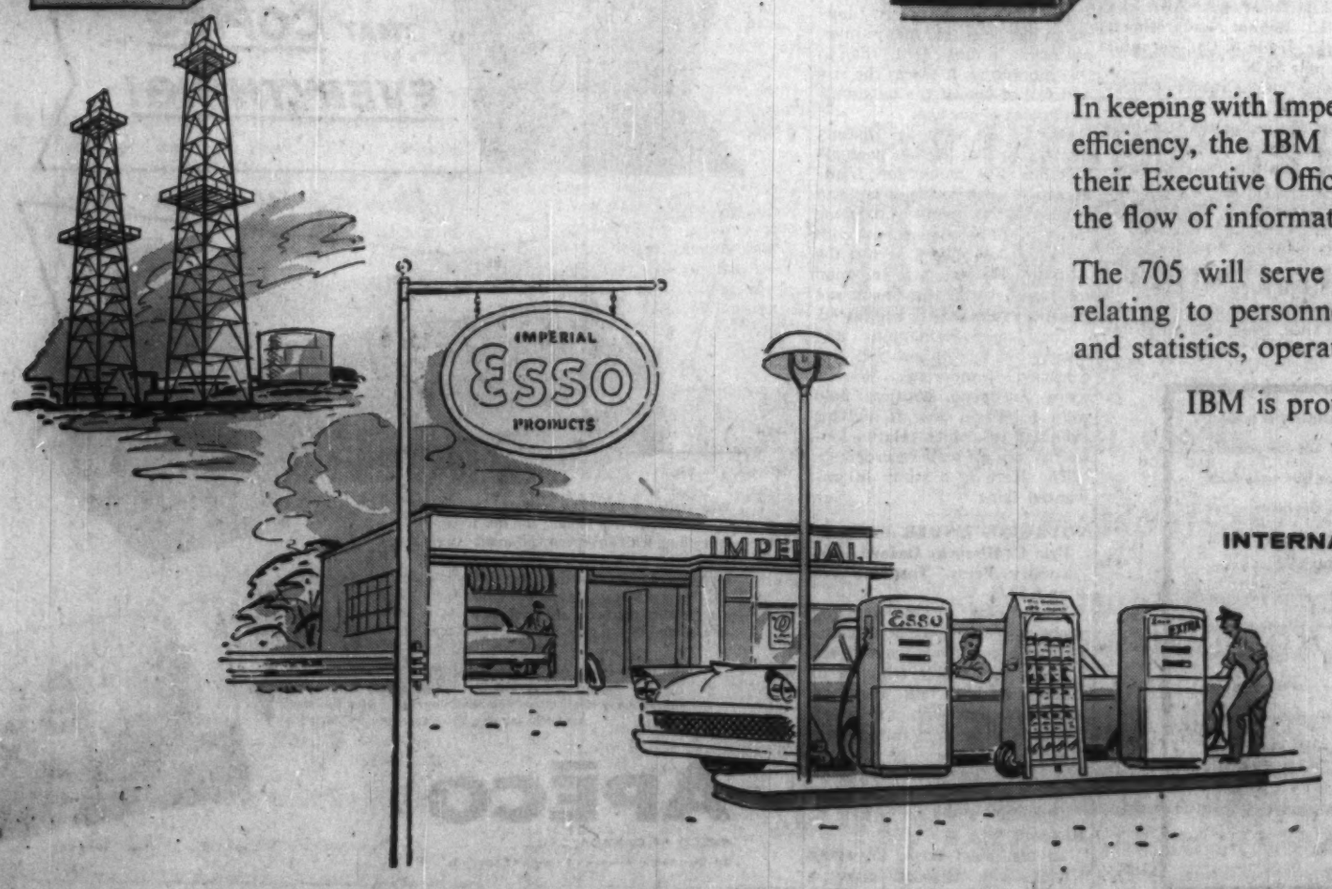
Affiliate in the Caribbean Area: Bank of London & Montreal Limited
Head Office: Nassau, Bahamas



Esso

Imperial Oil puts to work giant IBM 705 electronic computer





In keeping with Imperial's policy of using modern equipment for operating efficiency, the IBM 705 Data Processing System has been installed in their Executive Office Building in Toronto to process data and maintain the flow of information necessary for planning and operating decisions.

The 705 will serve Imperial from coast to coast by processing data relating to personnel, materials ordering and handling, sales records and statistics, operating plans and field operations.

IBM is proud to have the 705 Data Processing System at work for Imperial Oil.

INTERNATIONAL BUSINESS MACHINES COMPANY LIMITED
Don Mills Road, Toronto 6, Ontario
Branches in Principal Cities

IBM

BRITNELL'S for BOOKS

YOU WILL DO BETTER SHOPPING AT BRITNELL'S

Britnell's have thousands of books, the newest books and the best books on all subjects: whole sections of books adequately representing every conceivable interest. Books to own or give, you are more likely to find the books you want at Britnell's.

THE ALBERT BRITNELL BOOK SHOP

765 YONGE STREET WALNUT 4-3321

OPEN TO 6.00, INCLUDING SATURDAYS — FRIDAYS TO 9

Give a Present with a Future

JUST ADD WATER AND STIR

Pierre Berton

The phenomena of our time from the "Clean bomb" to Dick-and-Jane viewed by the popular columnist, TV personality and author of **Klondike.** ". . . a must . . ." **Calgary Herald;** "Fun reading" **Vancouver Sun;** "Shouldn't disappoint anyone who can read." **Windsor Star.**

$4.50

McCLELLAND & STEWART LIMITED

New Books

Which Men Will Enjoy

THE BEST OF GREGORY CLARK

By Gregory Clark. The very best of the author's inimitable pieces, wise, witty and human. A heart-warming gift. Third printing. $3.50

THE SCIENTIST AND YOU

Edited by Maurice Goldsmith. The use of science for peaceful purposes. By eminent contributors. Authoritative and highly readable. $5.00

KARIBA

By Frank Clements. The story of the building of the Kariba Dam on the Zambesi River in Southern Rhodesia. Scientific and dramatic. $3.25

THESE ARE THE MARITIMES

By Will R. Bird. A delightful book on adventures while motoring through the Maritimes. A wealth of excellent local stories. $4.50

LIFE OF JOHN MIDDLETON MURRY

By F. H. Lea. The first biography of a leading British literary critic, author of forty books, friend of D. H. Lawrence, husband of Katherine Mansfield. $6.00

ROSES FOR CANADIAN GARDENS

By Roscoe A. Fillmore. All the information you need to grow roses successfully. Valuable to both home gardener and expert. $6.00

IN CANADIAN SKIES

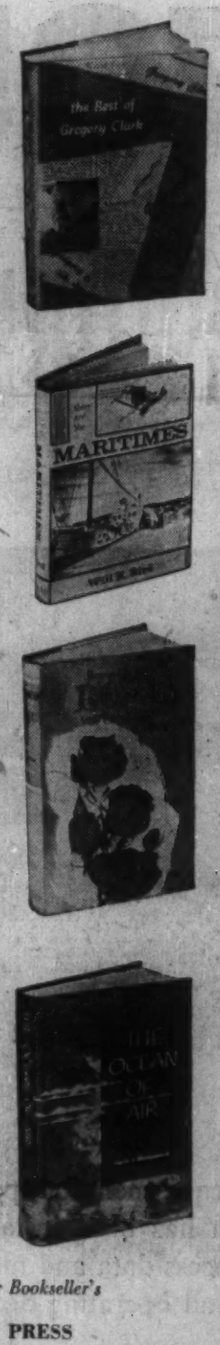
By Frank H. Ellis. The story of Canadian aviation. Endorsed by the National Co-ordinating Council for the Golden Anniversary of Flight in Canada. $5.00

THE OCEAN OF AIR

By David I. Blumenstock. Brilliantly describes the air from outer space to the inmost few inches. Unique and fascinating. $6.75

THE EAVESDROPPERS

By Samuel Dash, R. K. Knowlton and Richard Schwartz. Amazing revelations of wire tapping, hidden microphones, closed circuit television used by the police and others. $6.00



Get these Books at your Bookseller's

THE RYERSON PRESS

299 QUEEN STREET WEST, TORONTO 2-B, CANADA

Christmas Books For Businessmen

FLAME OF POWER, by Peter C. Newman; Longmans, Green & Co., Toronto; 264 pp.; $4.95.

This is a book about two things: Canadian economic history, and power.

Economic histories are commonly affairs of charts and growth statistics. Mr. Newman, 30, one of the editors of Maclean's Magazine, has taken a new tack. He has analyzed the transformation of Canada from a land of traders and farmers into one of the world's most economically animated nations, in terms of the people who brought about the change. He has also, where he could find the evidence, tried to find out what

SIR JAMES DUNN
From: Flame of Power

power they earned did to the people who wielded it.

Presented here are 11 portraits of Canadian businessmen. The post-Confederation era is represented by Sir Herbert Holt who controlled $3 billion in assets at a time when there was only $300 million in circulation in Canada; and by Lord Strathcona and Sir William van Horne of the **CPR.** Next in time sequence come Sir James Dunn of **Algoma,** Sir Harry Oakes of **Lake Shore Mines** and Lionel Forsyth of **Desco.** The present day is represented by Gilbert Labine, the Steinberg brothers, Dr. Hans Lundberg, Donald Gordon and E. P. Taylor.

What kind of men were these business giants? In Mr. Newman's eyes, the early ones at least are a marvelous and awe-inspiring lot. Sir Herbert Holt's "monomaniacal pursuit of money and power" brought him control of 300 companies on four continents. Lord Strathcona's skill as an international financier made possible the construction of the CPR, his diplomacy settled the first Riel rebellion, and, in another manoeuvre, he toppled Sir John A. Macdonald's first government.

In depth and vigor of interpretation, the portraits of the early entrepreneurs are quite different from the later portraits — reflecting not only the difficulty of collecting and publishing evidence about men now living, but the fact that, as Mr. Newman says, "business power in Canada has become reptile-quiet and discreetly housed."

This isn't one of those "How to Succeed in Business" books. But it is a fascinating, sometimes brilliant, study of a group of men who did succeed in spectacular fashion, and it deserves a place in every businessman's library.

FOR THE EXECUTIVE

THE EXECUTIVE'S DESK BOOK

Answers to countless business, official and social problems of the executive office, all contained in one volume — 1,850 pages combining quick, accurate information with the Winston Dictionary.
Thumb Index **$10.00**

—AND THE SECRETARY

THE SECRETARY'S DESK BOOK

Whatever the question — from the placing of a comma to the framing of a resolution—this friendly book gives instant aid. Punctuation, grammar, legal forms and correct office procedure are fully covered. Bound in blue fabrikoid **$4.95**

THE JOHN C. WINSTON CO. LIMITED

TORONTO ONTARIO

From: The Royal Tour 1959

THE QUEEN'S PLATE by Trent Frayne; McClelland & Stewart, Toronto; $7.50; 168 pp.

The drama and the glamour of the historic Queen's Plate, oldest horse race in North America (**FP,** June 20), is captured in this book prepared in co-operation with **The Jockey Club Ltd.**

Frayne deals with the race from its inception in 1860 up to the presentation by Queen Elizabeth of the Queen's guineas last June 30 to E. P. Taylor whose colt, New Providence, won the 100th renewal at New Woodbine.

The book also reflects something of the interests of prominent horsemen like Col. R. S. McLaughlin, H. C. Hatch, J. K. L. Ross and the Seagrams, who contributed much to the Plate over the years. Also, as the story unfolds in Frayne's crisp prose, it touches lightly on the fascinating history of a growing Canada.

ATLANTIC ANTHOLOGY, edited by Will R. Bird; McClelland & Stewart Ltd., Toronto; $6.00; 510 pp.

History of the Atlantic provinces and the easy tempo of life by the sea is reflected in a fine collection of fiction, non-fiction and poetry. Everything is covered from Canada's first parliament, established in Nova Scotia in 1758, to a gripping account of the Halifax explosion of Dec. 6, 1917.

Authors range from Samuel de Champlain (The Setting of Port Royal) to Hugh MacLennan, who contributes a Portrait of Halifax.

Atlantic Anthology should provide a lot of valuable background for anyone interested in the four most easterly provinces.

THE FACE OF CANADA, by C. L. Bennet and others; Clarke, Irwin & Co., Toronto; 229 pp.; $4.95.

Among many rather pedestrian books that have been written about Canada, this one stands out as lively and original.

It has five authors, all experienced writers. Each took one of the country's five distinct regions, being familiar with it at first hand, as a subject; and the result is a symposium that's probably unique in Canadian writing.

The title, good enough so far as it goes, is not adequate; for these authors do more than describe the terrain, cities, rivers and other physical features of Canada's "face". They also explore, with some erudition as well as wit and wisdom, the social history, manners and outlook of the five communities they're writing about.

C. L. Bennet, vice-principal of Dalhousie, leads off with an excellent piece on the Atlantic provinces. By accident, it's as long as the Ontario and Quebec chapters together; but it's good for other Canadians to learn in some detail, as they will from Dr. Bennet's salty narrative, how deeply interesting the Atlantic region is.

Gérard Filion of Le Devoir is good on French Canada though less impassioned and controversial than one might have expected. Gregory Clark, on Ontario, brings out some unfamiliar points, as for example, the "American" (i.e., colonial, revolutionary American) origin of the early settlers. The prairies and British Columbia are well done by Marjorie Wilkins Campbell and Roderick Haig-Brown.

Even though the illustrations are banal and the cover drab, this is decidedly one of the best Canadian books of the year.

SENATOR JOE McCARTHY by Richard H. Rovere; Longmans, Greem & Co., Toronto; 280 pp.; $4.50.

"No bolder seditionist ever moved among us—nor any politician with a surer, swifter access to the dark places of the American mind."

Thus begins this penetrating biography of the senator from Wisconsin — his early days, his quick rise to great power between 1950 and 1954, and his final three years of decline and illness.

Rovere, Washington correspondent of The New Yorker, obviously felt no sympathy for McCarthy, yet he describes his career vividly. Readers might wish, however, that the author had some new evidence to offer concerning McCarthy, or about the effects — lasting or otherwise — of McCarthyism.

THE HERO, by Kenneth S. Davis; Doubleday, Toronto; $5.75; 527 pp.

The story of Charles A. Lindbergh has been told many times, but never in more detail than in this biography. It traces the rise and fall of one of the outstanding heroes of our age.

One is left with the distinct impression that life has been altogether too much for Lindbergh. A superlative pilot, and a very brave man, he became the idol of a generation with his epic solo flight across the Atlantic. He was just the man for that job, but obviously not for the adulation that followed.

The tragic kidnapping and murder of his infant son, his confused wanderings in the tense European political field prior to World War II and his eventual return to relative obscurity are all well recorded.

The Hero is a study in unwanted fame.

VOYAGING UNDER SAIL by Eric C. Hiscock; Oxford University Press, Toronto; 274 pp.; $7.

The dream of the cruising yachtsman is to buy his dreamboat and get away from it all.

There are many who sit in clubhouses and talk about it, and only few who slip away from their moorings in the quiet of the early morning and are first heard from weeks later, in some foreign port.

One such a person is Eric C. Hiscock.

In his latest book, Voyaging Under Sail, Hiscock gives a wealth of clear practical information on the planning and execution of long voyages, covering types of yachts, rigs, navigation and seamanship.

The book is almost indispensable for the yachtsman and interesting to all readers.

THE ROYAL TOUR 1959; Ryerson Press, Toronto; $3.95.

A collection of dozens of photographs, including many in color, to recall last summer's memorable cross-continent tour of Her Majesty Queen Elizabeth and the Prince Philip. Photos were supplied by **Federal Newsphotos of Canada.**

COLLISION COURSE, by Alvin Moscow; Longmans Green & Co., Toronto; 316 pp.; $5.25.

As the first navigation year of the St. Lawrence Seaway closes, many Great Lakes mariners have expressed concern about the increase of collisions. The figures seem to bear out their worry.

How, asks the layman, do two specks on the expanse of the sea or Great Lakes manage to collide, when aided by all the wonders of modern electronics?

This book, the story of the collision of the Andrea Doria and the Stockholm off New York in 1956, will help explain. It's a drama-packed account, too.

It will make the layman understand that man is still the weakest link in the chain of modern life, whether he be operating a car, a plane, a giant ship, or even a can opener.

Here's some good background for next year's Seaway arguments and hassles.

THE UNCOMMON MAN; The Individual in the Organization, by Crawford H. Greenewalt; McGraw-Hill, Toronto; 142 pp.; $4.60.

Reflections by the president of **E. I. du Pont de Nemours & Co.** on the vital importance of the individual, working with maximum freedom, to the successful development of the company.

A valuable contribution to management literature, and a refreshing change from the depressing picture of business too often painted by ill-informed writers.

YOUSUF KARSH

PORTRAITS of GREATNESS

96 of his most memorable portraits in a magnificent volume ~ Each picture 9½ × 12 in. flawlessly reproduced ~ A wonderful gift ~ $17.50

UNIVERSITY OF TORONTO PRESS

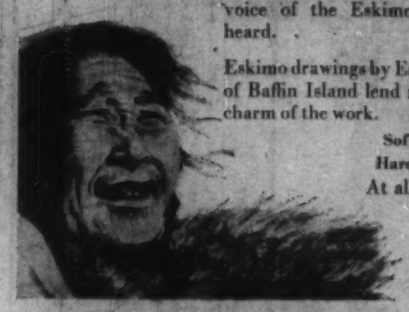
ANERCA

the voice of the ESKIMO

Edmund Carpenter, Editor

These songs, chants, incantations and stories give an impressive picture of the indomitable yet sensitive Eskimo. Much has been written about him; in this book the voice of the Eskimo himself is heard.

Eskimo drawings by Enoocsweetok of Baffin Island lend much to the charm of the work.



Soft Cover $2.00
Hard Cover $2.75
At all Bookstores

DENT

TO ORDER ANY BOOKS

Use This Convenient Coupon

BURNILL'S BOOK SHOP, 100 YONGE STREET, TORONTO 1, ONTARIO PHONE EM. 3-2787

GENTLEMEN: Please send me the following book(s) for which I enclose $....., or charge to my account.

AUTHOR	TITLE	PRICE
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

TOTAL $.....

Add 15c to cheques drawn on out-of-town banks. No C.O.D. orders.

PLEASE PRINT YOUR NAME AND ADDRESS CLEARLY TO AVOID MISTAKES
USE BALL POINT PEN OR PENCIL

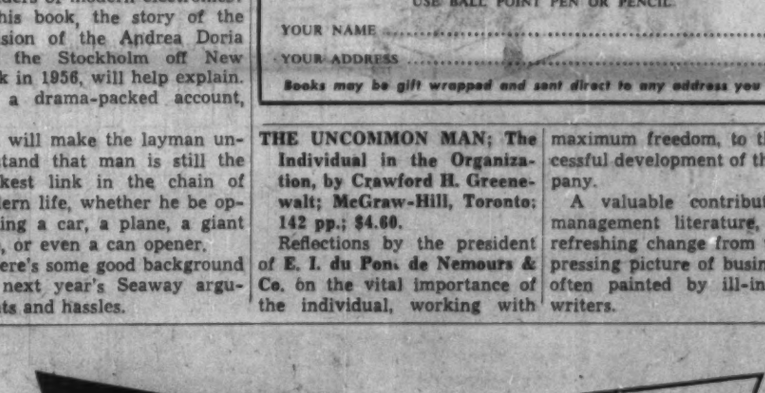
YOUR NAME .....

YOUR ADDRESS .....

Books may be gift wrapped and sent direct to any address you wish.

APECO UNI MATIC AUTO-STAT

THE ONLY 1-STEP COPYMAKER... THAT **COPIES EVERYTHING!**



Why settle for part-time copying methods when it is so easy and fast to copy everything with an Apeco Uni-matic Auto-Stat? Just one step "In and Out" will copy letters, invoices, receipts, charts, blue-prints, quotations, photographs, etc.—every paper, every colour—one or both sides. You get clear, sharp, black on white copies—easy to read—error-proof. It offers hundreds of time and money saving uses for every business.

Get the complete story in this NEW FREE BOOK. 16 full-colour pages packed with illustrations and facts that point out the many applications and advantages of Apeco Uni-Matic Auto-Stat copying. It's yours free. Write today.

APECO

APECO OF CANADA, LTD.
30 Dorchester Avenue • Toronto 19, Canada

FLAME OF POWER

by PETER C. NEWMAN

E. P. Taylor: the promoter who has become the most spectacularly successful Canadian of his generation.
Sir James Dunn: he was Canada's most daring industrialist, and his princely habits were the spicy gossip of an envious generation.
Sir Herbert Holt: a monomaniac in his pursuit of money and power, this mysterious Montrealer became the richest Canadian who ever lived.
Sir William Van Horne: the poker-playing extrovert who built the railway that united Canada, and then threw rails across two more countries.
Sir Harry Oakes: the gritty gold miner who accidently found "the world's richest half mile," and who died horribly in the Bahamas.
Lionel Forsyth: the street-car driver who became a language professor, and then rose to head Canada's largest industrial complex.
Dr. Hans Lundberg: the amazing geophysicist who has discovered six billion dollars' worth of minerals on four continents, and who actually grows gold.
The Steinbergs: five remarkable Montreal brothers whose artistry in merchandising has revolutionized a city's shopping habits.
Gilbert LaBine: the wilderness-marked prospector who provided the uranium for the first atomic bomb.
Donald Gordon: the unlovely, hot-tempered Scot who heads the world's greatest railway system, and who was Canada's only economic dictator.
Lord Strathcona: the aloof Labrador fur-trader who soared to a title and a business empire so immense that he almost owned Canada.

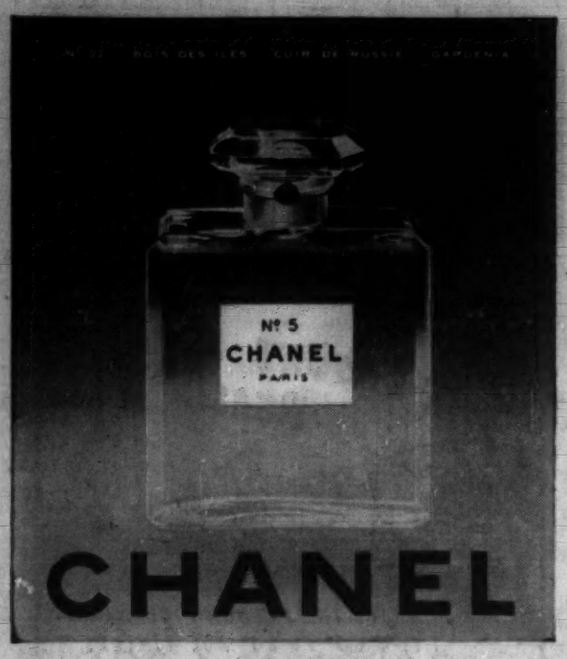
These are the penetrating, frank stories of eleven men whose public and private lives have been a major force in transforming Canada into the world's economically most animated nation.

At your bookseller's $4.95

LONGMANS GREEN & CO.

J-3383

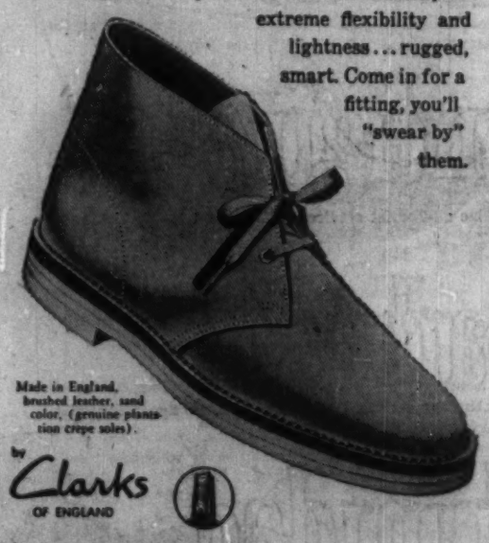
Ascot
TORONTO'S NEWEST HOTEL 27
OPENING SOON WITH SUPERB CUISINE AND ACCOMMODATION AT POPULAR RATES IN A COUNTRY CLUB SETTING ONLY MINUTES FROM MALTON AIRPORT



Men Delight in Shopping At HOLT RENFREW
because . .
H.R. render a special service for business men . . gifts appropriate for clients and personnel . . family and friends.
Come in person or telephone
H.R.'s Gift Secretary
WA. 4-8441
All gifts are wrapped, gratis, in H.R.'s silver-and-blue Christmas glitter.
HOLT RENFREW
Free Parking 144 Bloor Street West

THE ORIGINAL
DESERT BOOT

Born on the South African Veldt, now worn around the world. First choice for casual wear from Canada to the Caribbean — from Beverly Hills to Boothbay Harbor. Unique construction . . . superb British craftsmanship . . . extreme flexibility and lightness . . . rugged, smart. Come in for a fitting, you'll "swear by" them.



Made in England, brushed leather, sand color, (genuine plantation crepe soles).
by Clarks OF ENGLAND
a suggestion . . .
you'll find them ideal for curling too.
for nearest dealer, write or phone
clarks 3543 danforth avenue, toronto, OX 1-1121

Books You'll Like And Want to Give

LIVING JAPAN — The Land, The People and Their Changing World, by Donald Keene; Doubleday, Toronto; 222 pp.; $8.95.

The Pacific makes neighbors of Canada and Japan. Year by year, Japan's importance to Canada — in the trade, political and social spheres — continues to grow. Yet to a great many Canadians, Japan remains just one more enigma of "the mysterious East".

The author of this handsome, big-format book has provided a superb introduction to a country that he knows about as well as any American can. Professor Keene, of Columbia, has in the past written a number of books on Japanese life and letters.

Drawing on his first-hand experience and scholar's acquaintance with Japan, he presents here a thoroughly enjoyable study of Japanese life as it exists today. Emphasis is on the personal lives of the Japanese people.

Supplementing the text are 158 photographs (21 of them in color), imaginatively chosen and superbly reproduced.

From: Christmas in Canada

CHRISTMAS IN CANADA, by Mary Barber and Flora McPherson; J. M. Dent & Sons, Toronto; 134 pp.; $4.

A warm and engaging collection of writings about Christmas as Canadians have known it, from the wilderness days of New France to the present day.

Among the best of the many items included are Hoodoo McFiggin's Christmas by Stephen Leacock, Nellie McClung's account of a Christmas "entertainment" in a drafty little town hall in Manitoba, and Robert Finch's biting poem, The Crib.

The editors have shown a real feeling for Canadian history and traditions in their collection.

THE DESPERATE PEOPLE, by Farley Mowat; Little, Brown & Co., Toronto; 303 pp., $5.

Mowat has described the plight of a primitive people caught up in an age of transition. They're the Eskimos of Canada's Barren Lands, the same people Mowat wrote about in his controversial People of the Deer.

There have been public rebuttals to this latest book—from missionaries, policemen and government officials—but some of the accusations Mowat makes will be very difficult for anyone to refute.

Unlike Mowat's first look at these Eskimos, this book's charges are backed up by what seems to be solid evidence: quotes, letters, documents.

If these charges are true, no Canadian can hold up his head and speak of U. S. negroes, African villagers and Hungarian prisoners. Mowat's latest book is a story of neglect, suffering, death and governmental carelessness.

THE ICE WAS ALL BETWEEN, by Lt.-Cdr. T. A. Irvine, RCN; Longmans Green & Co., Toronto; 216 pp.; $4.50.

Canada's efforts to explore and develop her own Arctic territories have had a lot of criticism, mainly from Canadians themselves. If they haven't heard of the voyages of HMCS Labrador, it's high time they did.

This book, written by one of Labrador's officers, is a humorous, lively account of the naval icebreaker's first patrol, on which she sailed the legendary Northwest Passage to try to save a man's life.

Here's a modern Canadian Arctic story to be proud of. Lots of photo illustrations.

A JOURNEY TO THE NORTHERN OCEAN, by Samuel Hearne; edited by Richard Glover; Macmillan Co. of Canada, Toronto; 301 pp.; $6.50.

If Canada has a Hollywood of its own, and wants to dramatize her early days, there would be no better man to start with than Samuel Hearne. Here's a much-neglected, first-rate film possibility.

This courageous young man joined the lower deck of the Royal Navy at 12, when disease and hard conditions made ships hells afloat. He transferred his service later to the **Hudson's Bay Co.**, and sailed its ships on Hudson Bay.

The company's governor at Prince of Wales Fort chose Hearne to make an unbelievable journey on foot from Churchill to what's now Coppermine, N.W.T.

Accompanied only by Indians, Hearne started his explorations in 1769 and eventually made his way across the Barren Lands to view the Arctic Ocean at Coppermine. He and his Indian guides lived off the land under most difficult conditions.

Here's the journal of a great journey, written with understatement and penetration. Illustrated with sketches and maps.

THE PROPHET UNARMED, Trotsky, 1921-1929, by Isaac Deutscher; Oxford University Press, Toronto; 490 pp; $7.75.

This is the second volume of a trilogy by Deutscher, an acknowledged expert of Soviet Russia.

It may prove heavy going for readers without Deutscher's deep interest in the details of the history of Russian Communism. But it does clearly illustrate the internal troubles ripping through Russia after the Communists came to power.

Here was a rather idealistic group of men whose existence had been one of opposition to authority. Suddenly they were faced with a new situation — they themselves were in positions of authority while other men, some in the party's ranks, were resisting their wishes.

What to do? They had previously believed in an almost divine right to oppose. Most of the top Reds soon sank their misgivings and cracked down on opposition. The thoughtful, creative Trotsky had trouble making up his mind. His indecision was his downfall, as Communism changed from a movement supposedly dedicated to the ideal of a truly free man to one of brutal suppression.

HISTORICAL ATLAS AND GAZETTEER, by Arnold Toynbee and Edward D. Myers; Oxford University Press, Toronto; 257 pp.; $7.50.

A much needed supplement to Toynbee's 10-volume A Study of History (and to D. C. Somervell's one-volume abridgement of it), this new volume provides an alphabetical list and brief description of all geographical names in the Study.

The atlas section comprises 113 pages of maps, some in two colors, all drawn especially for this work.

Preparation of this volume, and especially its index, reflects scholarly care.

From: Living Japan

ENDURANCE, by Alfred Lansing; McGraw-Hill Co., Toronto; 282 pp.; $5.75.

The spirit of exploration of a half-century ago grew not so much out of scientific discovery but out of the physical and mental powers of the men who did the exploring.

It's doubtful that any modern explorations, by plane, steam-heated ship and motor transport, will ever produce historical figures like Robert Scott, Robert Peary, Ernest Shackleton. History has given them reverence, because they fought nature as men, not tools of science.

This book will explain why the name of Sir Ernest Shackleton will live as long as men's souls can be stirred. It's the story of Shackleton's doomed expedition to the Antarctic in 1915, the loss of his ship in pack ice, an ordeal on the polar pack, and Shackleton's voyage by open boat across the great southern ocean to rescue his men.

Here's the book for you, when you start believing the deodorant ads. Here's the book for your youngsters, when TV plots begin to symbolize life.

RUM ROW by Robert Carse; Clarke, Irwin & Co., Toronto; 251 pp.; $4.75.

The author, whose last book was an entertaining history of the age of piracy on the Spanish Main, here describes the modern pirates who flourished in the lawless days of Prohibition and the bootleggers, bringing liquor by sea to thirsty Americans.

The world's finest writing instruments,
CROSS
14-K gold-filled ball point pens and pencils make the perfect executive gift with your firm's crest and the recipient's name. Also available in 12-K gold-filled and chrome. Boxed for presentation. For more information and dealers' names contact
JACK W. LEES
44 King St. W., Toronto
Phone EM. 4-0757

FOR CHRISTMAS GIFTS
BIRKS
The Gift House of Canada
•
SPECIAL PRICES
•
LARGE ASSORTMENT
•
ALL THIS PLUS
THE FAMOUS BLUE BOX
•
BE WISE — SEE US SOON
HENRY BIRKS & SONS LIMITED
CONTRACT SALES DEPARTMENT
IN TORONTO • 11 TEMPERANCE ST. • EM. 6-7511, EX. 292
IN MONTREAL • 1240 PHILLIPS SQ. • UN. 6-1411, EX. 304-305

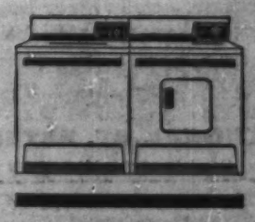
THE PERFECT BUSINESS GIFT

NEW Parker 61
JET FLIGHTER PEN
. . . tested and proved trouble free even aboard a jet at 40,000 feet!
Seeking a gift that is *really* new, exclusive and different? Give the Parker 61 Jet Flighter . . . the pen chosen by United Air Lines to log its new DC-8 Mainliner jet flights.
Every man is proud to own a Parker 61 Jet Flighter Pen. It's the perfect gift for your business friends or associates who travel by air . . . for everyone who demands trouble-free pen performance.
PEN $22.50* SET $32.50
*(Suggested retail price) In handsome gift box
Parker Pen Co., Ltd.
Don Mills, Ont., Metropolitan Toronto
Makers of the world's most wanted pens! 59-27

A TRIBUTE TO YOUR PERFECT TASTE...

SIMON'S
STATESMEN
Simon's Statesmen 20c—also available in Delmonicos 15c and Panetelas 15c
Plus Provincial tax where applicable

...and all he did was give her an Inglis
Hardly all he did, because an Inglis costs somewhat more than the average Christmas gift. But what a gift! Just the finest automatic washers and dryers made. And your smart little wife knows it. All sorts of wonderful things could happen if you give her an Inglis for Christmas.



Soreno
St. Petersburg, Fla.
Enjoy the best food on Florida's West Coast — stay in the most convenient (for everything) location. Come to the Soreno, on famous Waterfront Park in St. Petersburg. For reservations and Color Brochure, write: M. H. McNiel, Manager.

BUSINESS or PLEASURE
TRAVEL ARRANGEMENTS
Air • Ship • Bus • Rail
Cruises • Tours • Hotels
World Wide Service
O. K. JOHNSON & CO.
Limited
597 Bay Street. EM. 6-9488

Drums speak . . .
LUNCHEON . . . happy time at KON-TIKI . . . enjoy delicious ISLAND food
Open 12 noon until closing
KON-TIKI
POLYNESIAN RESTAURANT
SHERATON
-MT. ROYAL HOTEL

Nassau in the Bahamas
RESERVE NOW FOR CHRISTMAS HOLIDAYS
Informal club atmosphere. Beautiful private pool & patio, nearby Beach Club. Air-cond. doubles & singles. Write for colour brochure
PILOT HOUSE CLUB
Nassau in the Bahamas
See Your Travel Agent or N.Y. Office 48 W. 58th St., N.Y. 19, JO 6-3070

THIS WINTER
ENJOY A GOLF VACATION
IN AMERICA'S DRIEST, CLEAREST SUNNIEST CLIMATE
Phoenix
The San Marcos is located on 250 beautifully landscaped acres 25 minutes from Phoenix. Accommodations for 300 fastidious guests. Private 18-hole all green championship golf course. Desert riding, tennis, swimming. New executive suites. Superior food and service. Ideal for groups and board meetings. Season Nov. 5 to May.
Delightful programs for Christmas and New Year's; special rates. Write for brochure.

Magnificent new golf clubhouse
THE San Marcos
HOTEL, BUNGALOWS & COUNTRY CLUB
BOX 545, CHANDLER, ARIZONA
John H. Quarty, President

GUIDED EUROPEAN TRAVEL
GIBB
MACFARLANE
Provide a total of 38 years of European experience and knowledge in personalized guidance. Here is a combination of geographer and linguist with higher educational background, essential to intelligent and economical travel.
NOW BOOKING
BUSINESS EXECUTIVES TRIP $1758
12 Old world capitals in Spring
STUDENT 9-WEEK TOUR (3 WEEKS CYCLING) ... $1285
Educational sight-seeing of cities and out-of-the-way villages
Write for details, maps, etc. c/o P.O. Box 845
AURORA, ONTARIO

MIAMI BEACH
has everything for everyone always!
For the sportsman, the gourmet and the worldly, for the family and honeymooners, for a holiday or a lifetime . . whether you demand the most luxurious in hotels or prefer an endless selection of moderately priced lovely accommodations or apartments...

Write TODAY for complete information and colorful brochures.
ROOM FF-1, CHAMBER OF COMMERCE MIAMI BEACH 39, FLORIDA
Name .....
Address .....
City ..... Prov. .....
EVERYBODY LOVES MIAMI BEACH ... PLAYGROUND OF THE WORLD!

In St. Petersburg

SUN-sational St. Petersburg is a place where fun, *just naturally* comes easy. Big, landlocked bays and the calm Gulf make this the water sports capital of Florida —fishing, water skiing, boating and swimming *are only minutes away, no matter where you stay in the "Sunshine City".*
Fun's easy for landlubbers too! It's golfing weather all year round; picnic in January; bowling; shuffleboard . . . regattas, Baseball (Winter League & Spring Training); dog and horse racing, Jai Alai too!
Come join our sunny way of life, where Florida fun comes easy.
SUNSATIONAL ST. PETERSBURG
Send for Color VACATION Folder
Check for Accommodation Information
☐ Apartments ☐ Beaches ☐ Guest Homes ☐ Hotels ☐ Small Hotels
A. G. Davenport, Manager
Chamber of Commerce
St. Petersburg, Florida
Name .....
Address .....
City ..... Prov. .....
Arrival Date ..... No. in Party.....

POST TRAVEL BUREAU

Where to go - how to go - where to stay

Laurentian Skiing Set for Boom Year

By BEATRICE RIDDELL

As the first snow falls on Quebec's mountains, French Canada gets set for what it hopes will be another boom tourist season.

If the weather is kind, the coming winter could bring resort operators more than $3.6 million from accommodation and meals alone in the 1,000-sq.-mi. Laurentian skiing area.

Revenue from hotel bars, ski tows and lifts ($3 to $4 per person per day), shops, etc., is extra.

Major Laurentian resorts are booked solid for Christmas and New Year's holidays. And although snow has not come as early as last year (an all-time record season) pre-Christmas reservations are coming in faster than ever before.

In the Laurentians — the province's largest organized ski area — accommodation and sports facilities have been expanding and improving steadily.

In the past two years, resort operators have spent an estimated $2 million on improvements in anticipation of the opening of the Laurentian Autoroute.

The new, $60 million toll road, officially opened this fall, stretches from the Island of Montreal to just north of St. Jerome where it joins the all-weather Highway 11 — main artery through the mountains.

Big advantage of the new speedway is that it bypasses Montreal's northern suburbs as well as small centres such as Ste. Rose, Rosemere, Ste. Therese, St. Janvier and St. Jerome.

In addition to car or bus transportation the area is well served by train. Regular plane service is available between Montreal and St. Jovite-Mont Tremblant area.

There are about 3,000 hotel rooms available in the Laurentians with daily American Plan rates ranging from about $8 to $15 per person.

Resorts here are among the continent's finest, with an enviable reputation for service and excellent "habitant" cusine. In addition there are a large number of "pension" rooms.

Ski conditions are excellent from December to Easter — and even later on Mont Tremblant's northern slope.

Average annual snowfall is about 10 ft. and by mid-winter skiiers can usually count on a solid base of 30 in. of good packed snow with frequent bonuses of new powder snow.

Some of North America's major ski competitions are held here. Three of the most important are the Taschereau around the end of January, the Ryan Cup early in February and the Kandahar the end of Feburary — all at Mont Tremblant.

Ski instructors are highly qualified, and rated by the Canadian Ski Instructors Alliance — guild of professional ski instructors.

But there are other areas in Quebec that are becoming extremely popular and fast being developed for winter sports. Ten miles from Quebec City is the Lac Beauport snowbowl — a popular rendevouz for skiiers.

This winter, the new $500,000 **Manoir Saint-Castin** (replacing the hotel of the same name destroyed by fire last year) will welcome skiiers. There are other hotels in and around the area.

In the Eastern Townships, southeast of Montreal, North Hatley boasts some delightful lodges. But newest ski region being developed here is the Mont Orford-Mont Giroux area where new ski facilities, motels and a good chalet-restaurant have been built recently.

While new ski trails are being blazed on Quebec mountains, "up hill" facilities are constantly being improved and increased.

Eastern Canada's first double chair lift will operate this winter at Ste. Marguerite. Single chair lifts operate at Mont Tremblant (two lifts), St. Donat and Mont Giroux.

Fourteen new T-bar lifts will go into operation this year (four at St. Sauveur) raising the province's total to 54. In addition there are hundreds of rope tows, poma lifts, etc. throughout the province's ski country.

But Quebec's winter resorts attract more than skiers. More people are now coming for winter vacations that don't necessarily involve skiing.

Many resorts are diversifying their winter activities as a safeguard against dreaded thaws. There's indoor curling at Ste. Adele and North Hatley, indoor skating at Ste. Agathe. And Quebec resorts feature skating, sleigh rides, tobogganing, etc.

Winter carnivals — featuring skiing by torchlight, hockey matches, firework displays and other celebrations are held during February in the Laurentians — especially Ste. Agathe — and Quebec City.

Growing in popularity are "learn to ski weeks" — all inclusive package tours usually including accommodation, meals, use of tows and lifts, ski lessons.

These are usually offered in the weeks between the New Year holiday and March.

Rates at Laurentians resorts range from about $65 to $100 per person (depending on accommodation) for six days, seven nights.

Becoming more popular are conventions and company sales courses in January and February. These sessions often feature business meetings in the morning, skiing in the afternoon.

There are a number of air and rail packages. One attractive holiday to be available after Jan. 1 at Quebec City's **Chateau Frontenac Hotel** (for skiing at Lac Beauport) offers three, seven or 10 days for $59.25, $134.40 or $186 for each of two persons sharing a room. Transportation to Quebec is extra.

QUEBEC: skiing wonderland.

Tours Next March Will Cover World War I, II Battlefields

Three imaginative tours to battlefields made famous by Canadian soldiers in World Wars I and II have been arranged for Canadian and Commonwealth veterans, war widows, Silver Cross mothers and their families.

Sponsored by The Veterans Advocate and Kim Beattie — military historian and author who has planned the itineraries — tours will start from Toronto March 1.

The three groups will fly together from Toronto to London, England via **BOAC** and then on to Paris where groups will separate.

One tour will retrace the 1943 - 45 battle - road through Sicily and Italy. Another will cover the area of the 1944-45 campaign in northwest Europe. A third covers the World War I battlefields from second Ypres to Mons.

Each tour is a month long and will include visits to Germany, Holland and the U. K. Cost: Less than $1,000 per person, including air fare.

Tour arrangements are being handled by **University Travel Club Ltd.**, of Toronto.

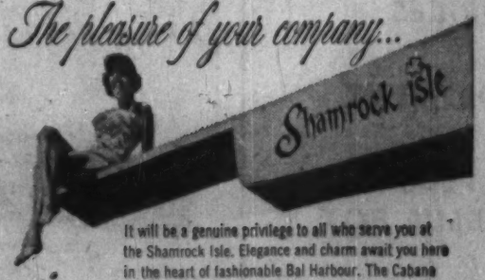
THREE MILLION GALLONS of paint have been poured on Athens' buildings in recent months. The sprucing-up project is in anticipation of a record number of visitors. The "home of the gods" is now a favorite vacation destination. Served by fast, modern transportation, Greece is a major stop on Middle East plane and steamship routes.

* * *

SELF - SERVICE LUGGAGE transportation is being tried out by the **German Federal Railroads** to save passengers time and money. As in self-service food stores, the customer takes a luggage cart and transports his own luggage from taxi to train. Carts are used free of charge, may be left anywhere around the station and may even be taken to the next streetcar stop. They eliminate the problem of finding a porter and tipping him.

FOR A HAPPY CAREFREE WINTER
IT'S THE
VINOY PARK
HOTEL

Rest, relax, play in the sparkling winter sunshine; enjoy tropical surroundings of the largest, most luxurious hotel on Florida's Gulf Coast. Facing Tampa Bay, the Vinoy offers superb cuisine, its own golf course; Par Three Course on grounds, pool, private beach club. Racing, all sports. Am. Plan. Wire or write:
Sterling E. Bottome, *Mgr.-Dir.*
ST. PETERSBURG, FLORIDA

The pleasure of your company...


It will be a genuine privilege to all who serve you at the Shamrock Isle. Elegance and charm await you here in the heart of fashionable Bal Harbour. The Cabana Club for your daily outdoor fun; matchless cuisine; dancing nightly; away from the crowd but near the fun. Only the most discerning clientele.
Accommodations from $25. Single or double occupancy, European Plan.
Write today for colorful brochure.
Shamrock Isle HOTEL AND CABANA CLUB
OCEANFRONT, EXCLUSIVE BAL HARBOUR, MIAMI BEACH, FLORIDA

LAGUNA'S MOST DISTINGUISHED HOTEL
OCEAN APTS. • TV • SWITCHBOARD
PRIVATE BEACH - HEATED POOL
FOR BROCHURE WRITE DIRECT TO
CAPRI LAGUNA
1441 SOUTH COAST BOULEVARD
LAGUNA BEACH, SO. CALIFORNIA
Owner-Manager: GEO. J. M. STARK
Formerly with C.N.R. & C.P.R. Hotels

LAGUNA AMERICANA MOTEL AAA

Opened July 1959. Rooms, studios, suites all with ocean View. Sun deck and heated pool. TV, 1-2-3's, switchboard, comp. cont. breakfast. Reasonable wkly. & monthly winter season rates. Credit cards honored. A wonderful place to stay!
2130 SO. COAST BLVD., LAGUNA BEACH, CALIFORNIA

Laguna Shores MOTOR HOTEL & APTS.
Beautiful ocean front resort hotel. Private pool & beach. Morning coffee.
FOR BROCHURE WRITE
420 CLIFF DRIVE
LAGUNA BEACH, CALIFORNIA

THE INN AT LAGUNA
A LUXURY RESORT HOTEL
• ON THE OCEAN FRONT
• SURFING & SWIMMING
• HEATED SWIMMING POOL
• COMP. CONTINENTAL BREAKFAST
• 24 HR. SWITCHBOARD SERVICE
• BEAUTIFUL STUDIO ROOMS
• KITCHENETTE APARTMENTS
• PRIVATE LANAIS & SUNDECKS
• TELEVISION IN ALL ROOMS
FOR BROCHURE WRITE DIRECT TO
211 N. COAST BLVD. HYATT 4-7525
LAGUNA BEACH CALIFORNIA

LIKE THE FRENCH RIVIERA
IT'S 60° TO 80° ALL WINTER!
WONDERFUL GOLF, yachting, deep sea fishing, lawn bowling, all sports.
LUXURY or MODEST HOTELS, motels and apts. for every budget.
CONTINENTAL RESTAURANTS, unique shops, art, stage and film festivals.
PLAN EARLY. Write for free brochures with rates, accommodations, etc.
A WINTER RENDEZVOUS for writers, artists, international celebrities.
Come! Discover Laguna's Scenic Setting, Picture Coves & Semi-Tropical Clime. For a Holiday You'll Long Remember.
CLOSE TO Old Mexico, Santa Anita, Palomar, Disneyland, etc.
LAGUNA HOLIDAY
290 Park Ave. Laguna Beach, Calif.

ONLY TCA flies you from Canada to all these southern resorts!

Nassau
Frequent Tourist flights, only $167 round trip. Also new luxury service by Super Constellation from Jan. 1st

Bermuda
Non-stop from Toronto, Tourist round trip only $141. Also Super Constellation service from Jan. 31st

Jamaica
Frequent service to Montego Bay and Kingston, Tourist round trip $237. Also new luxury Super Constellation service from Jan. 1st

Florida
First Class Viscount flights to Tampa, with good connections to Miami. Also Tourist flights, round trip to Tampa, $122

Antigua
Comfortable all-Tourist service, $241 round trip. No change of plane

Barbados
Frequent through service, $306 round trip. Also Super Constellation luxury service from Jan. 31st

Trinidad
No change of plane from Toronto, $325 Tourist round trip. Also Super Constellation luxury service from Jan. 31st

Ask about inclusive TCA package tours to Florida and holiday islands in the South.
"Fly now - Pay later" if you wish.
SEE YOUR TRAVEL AGENT OR TCA OFFICE
TRANS-CANADA AIR LINES

It's All Yours . . .

The whole wide beautiful world at your fingertips . . . the luxury of modern travel . . . the thrill of new people . . . new places . . . we're always at your travel service because . . .

"YOUR BUSINESS is our pleasure"

EM. 3-3264

Union Travel Service

Air France Jet Flights To Paris Start Jan. 27

Shortly after its entry into the transAtlantic jet league, **Air France** will start operating (with jets) on a new route — Los Angeles-Montreal-Paris.

The airline will start daily jet service from New York Jan. 27 twice weekly service from Los Angeles April 1.

The new route, result of a recent bilateral agreement between the U. S. and France, will give Montreal an additional service to Europe and will almost double Air France's present capacity from Canada.

The airline now offers three weekly flights on the Chicago-Montreal-Paris route in smaller, piston-powered planes.

The new route will also give Air France a west North American gateway, and French airlines a round-the-world link-up. **TAI (Transport Aeriens Intercontinentaux)**, affiliate of Air France operates westward from Los Angeles to Paris.

Starting date for jets on the Chicago - Montreal - Paris route has not been announced, but it is understood that it will begin around the same time as the Los Angeles service.

Air France will operate **Boeing** 707 Intercontinentals for transAtlantic flights. These will connect at Paris with **Caravelle** jets for service to other European destinations, as well as the Middle East and North Africa. The airline's jet fleet will consist of 17 Boeing 707s and 24 Caravelles.

Flying time to Europe from Montreal is estimated at six hours. From Los Angeles: 9 hr., 45 min.

Passenger configuration on the Boeings will be 107 in economy, 32 in first class.

Happiest Combination in the Jet Age

SAS and the Treasure Chest of World Travel!

SAS
SCANDINAVIAN AIRLINES SYSTEM

FREE
Treasure Chest of World Travel
Scandinavian Airlines System
244 Bay Street
Toronto, Ontario

Name .....
Address .....
City ..... Prov. .....
My SAS Agent is .....
FP 12-5

GAY DAYS and GALA NIGHTS

Boca Raton
HOTEL and CLUB

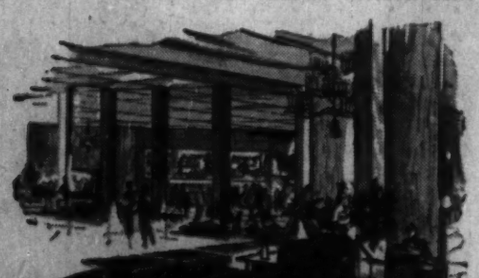
Days at Boca Raton in the coming months will be full of action with play on Boca's own championship 18-hole golf course (Sam Snead is winter pro) tennis on the four new courts, swimming in Boca's two great pools. Sailing from Boca's own yacht basin to the blue Atlantic.

Nights are gala, with dancing and entertainment, five cocktail lounges, our own theatre, steak roasts at the Cabana Club. Suites and rooms are exquisitely and tastefully furnished, the cuisine superb, the rates reasonable. Full American Plan.

For color brochure address R. B. Leggett, Manager, Dept. 84 or see your travel agent.

BOCA RATON HOTEL and CLUB, Boca Raton, Fla.
Arvida Hotels, Inc., A subsidiary of Arvida Corporation
STUART L. MOORE, Vice President and Managing Director — National Reps., ROBERT F. WARNER, Inc., New York, Chicago, Washington, Boston, Toronto

ENJOY THE NEWEST AND FINEST HOTEL — AT NO ADDED COST!



THE QUEEN ELIZABETH IN MONTREAL

Choice of Conventional Bedrooms or Studio Type Rooms
SINGLE FROM $9.00 - DOUBLE FROM $13.00
Special Family Rates — No Charge for Children

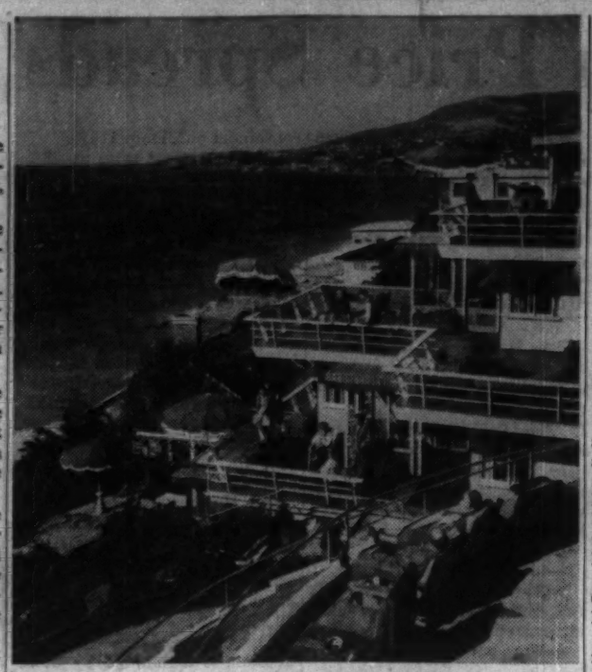
RADIO AND TV IN EVERY ROOM
Fully Air-Conditioned. Direct connection with C.N.R. Central Station and Airlines Terminus.

8 RESTAURANTS AND LOUNGES
Offer you a superb choice, from low-priced "Le Café" to Canada's finest supper club, "Salle Bonaventure".

COMPLETELY FREE OVERNIGHT PARKING FOR REGISTERED GUESTS
No charge for pick-up and delivery

For reservations see your Travel Agent, or 'phone: in Montreal—UN. 1-3511; in Toronto—EM. 2-3771.

THE QUEEN ELIZABETH
The world's largest new hotel



LAGUNA BEACH, situated in a protected coastal valley, 31 mi. south of Los Angeles, is one of California's most scenic vacation spots. In a year-round spring climate, you can enjoy ocean swimming, fishing, golf, tennis. Laguna is also an "art centre" boasting excellent winter theatre, concerts, art galleries. Hotels, many of them overlooking the ocean, come in every style, size and tariff.

Petrofina Boosts Alberta Gas Holdings

Canadian Petrofina Ltd., through its subsidiaries, has made a major gas strike at Wildcat Hills, 60 mi. northwest of Calgary.

Two wells have been drilled and completed, a third is presently drilling.

An average net pay of 135 ft. in the Mississippian limestone is present at 10,600 ft.

Absolute open flow tests indicate a potential of 27 million cu. ft. daily and recoverable reserves appear in the order of 40 billion cu. ft. per section.

A significant extension of the East Calgary gas field has recently been made. A net pay zone of 68 ft. was encountered at a drilling depth of 7,500 ft.; 8 million cu. ft. of gas was recovered on a drill stem test.

The gas analyzes approximately 18 bbl. of condensate per million cu. ft. and less than 1% sulphur.

This extension appears to increase the recoverable reserves of the field by some 20% - 25%.

Company has also participated in an important natural gas discovery in the Jenner area of southern Alberta, where its subsidiaries have extensive land holdings.

This well lies 120 mi. southeast of Calgary near the **Alberta Trunk Line** system.

House Builders Meet in January

Annual meeting of National House Builders Association will be held at the Royal York Hotel, Toronto, Jan. 12-14.

Theme: "The small volume builder and his future."

Most Canadian homes are built by smaller builders, who also buy the bulk of the goods and services consumed by the industry.

An exhibition will be held in conjunction with the meeting and many exhibitors will introduce new products.

Attendance is expected to be the heaviest in NHBA's convention history.

Program highlights: panels on business and taxation problems of the small volume builder; merchandising and sales; outlook for mortgage finance; land development for the small volume builder; and research.

Participants include: Stewart Bates, president, Central Mortgage & Housing; Elliott N. Yarmon, president, **Tankoos Yarmon Ltd.**, Toronto; Alan Scott, president, Urban Development Institute (Ontario division).

OTTAWA

Beacon Arms HOTEL

Most Central
Most Modern
Most Luxurious
Television
Kitchenettes
Convention And Banquet Facilities
Indoor Parking
Choice Food
Entertainment

Beacon Arms
88 ALBERT ST.
OTTAWA

Lambton Close Offered in U. K.

A recent £330,000 ($880,000) share offer connected with Canada's oldest mortgage company, **Lambton Loan & Investment Co.**, Sarnia, Ont., has been heavily over-subscribed by U. K. investors.

The offering consisted of 660,000 shares, par 5s, in the English company, **Lambton Close Holdings Ltd.**, which holds 51% of the issued capital of Lambton Loan & Investment Co. Price was 10s per share.

Earlier this year (**FP**, Aug. 8) **Close Bros. Ltd.**, U. K. merchant bankers, and their associates acquired most of the stock of the 115-year-old Lambton Loan & Investment Co., whose subsidiary, **Lambton Trust Co.**, administers estates and trusts in western Ontario and Metropolitan Toronto.

Lambton Close Holdings was incorporated early in October. In exchange for 51% of the stock of Lambton Loan & Investment, it issued 1,028,000 of its shares to Close Bros. which, in turn, offered 660,000 shares to the public.

Lambton Close Holdings intends to expand its business by acquisition of interests in other Canadian companies engaged in administration of trusts and estates.

JET SERVICE to South Africa was inaugurated by Dec. 2 by **BOAC.** Three weekly Comet 4 flights will operate from London, with stops in Rome, Khartoum, Narobi, Salisbury and Johannesburg. Flying time from London: 15 hours, 40 min. Within the next 12 months, at least seven other airlines hope to have jets operating to the African continent, including **Pan American** with direct service New York to Johannesburg.

Queen's Court at The Royal Victoria . . . Nassau's newest luxury accommodations, opening this

Centennial Season

. . . celebrating the completion of a million dollar restoration program that recaptures the original charm of

The ROYAL VICTORIA
NASSAU, BAHAMAS
Operated by Treadway Inns International, Ltd.

The traditional resort for the sun-fun set, who naturally expect luxurious, air-conditioned accommodations, gourmet cuisine, attentive but unobtrusive service, top drawer entertainment. New, intimate night club and cocktail lounge. Pool and surf swimming; golf and tennis privileges arranged.

See Your Travel Agent or our International Representatives
ROBERT F. WARNER, INC.
80 Richmond Street West, TORONTO
EMpire 3-2693

MONTAGU for your winter vacation in Nassau . . . glamorous, different!

A classic resort hotel right on the ocean . . . in a verdant 55-acre tropic-isle estate just minutes from the heart of Nassau. Superlative cuisine and management in Continental tradition. Fully air-conditioned . . . with delightful Marine Bar, private beach and unique Vision-Level Pool, intimate After-Deck Lounge and smart Empire Dining Room. Tennis, golf and deep-sea fishing . . . sparkling night life. Attractive choice of Modified American or European Plan.

The MONTAGU Beach Hotel NASSAU, BAHAMAS
Reginald G. Nefzger, General Manager
For folder, reservations, see your Travel Agent.
U. S. Representative:
William P. Wolfe Organization
in New York • Boston • Philadelphia • Cleveland
Miami • Chicago • Toronto • Montreal

Retail Firm's Bonds Sold

An offering of $125,000 7% convertible 10-year sinking fund debentures of **F. P. Chapple Co.** was sold at par by **N. L. MacNames & Co.**, Toronto. Debentures carried a bonus of 150 common shares per $1,000 debenture.

Proceeds will be used for general corporate purposes, including an expansion program. This calls for establishment of self-service family stores in smaller communities.

Company now has two such stores, called junior department stores. One of them is located in a modern shopping centre at Burlington, Ont. This store will be a model for other outlets in the intended chain. Plans are to hold stores under lease.

Company has no corporate connection with **Chapples Ltd.**, Lakehead retail chain.

Chapple reported increasing net profits resulting from operations since 1955 increasing from $2,438 in that year to $8,722 in fiscal 1958, ended Jan. 31, 1959. Net profit for eight months ended Sept. 30, 1959, amounted to $6,601.

Based on past sales in its two stores at Burlington, president F. J. Chapple estimates that sales from these two stores will amount to at least $250,000 annually.

Pro forma balance sheet, after giving effect to the issue and sale of $125,000 debentures, showed at Sept. 30, 1959, current assets of $131,014; fixed assets $10,334; and total assets of $163,353. Current liabilities amounted to $13,351.52.

Outstanding capital stock was 100,005 shares of authorized 500,000 npv shares.

ANNOUNCEMENT

EXECUTIVE APPOINTMENTS BY 3M

MR. J. V. POWELL — MR. E. H. LILL

Minnesota Mining and Manufacturing of Canada Limited is pleased to announce that Mr. J. V. Powell has been appointed Manager of the Copying Products Division. Mr. Powell has been with 3M and associate companies since 1945 and was formerly Manager of the Tape and Allied Products Division.

Simultaneously, the company announced the appointment of Mr. E. H. Lill as Manager of the Tape and Allied Products Division. Mr. Lill was formerly National Sales Manager of this division. He joined 3M and associate companies in 1941, became Vancouver District Sales Manager in 1946 and Sales Manager of Western Canada in 1955.

A SUPERB NEW concert hall opened recently in the West German capital of Bonn. Of modern architectural design, the large hall seats between 640 and 1,421 depending on the event taking place. There are four foyers, a studio seating 381, chamber music hall seating 84, restaurant overlooking the Rhine, bar, conference room and large parking area.

It's a different world . . . fabulous

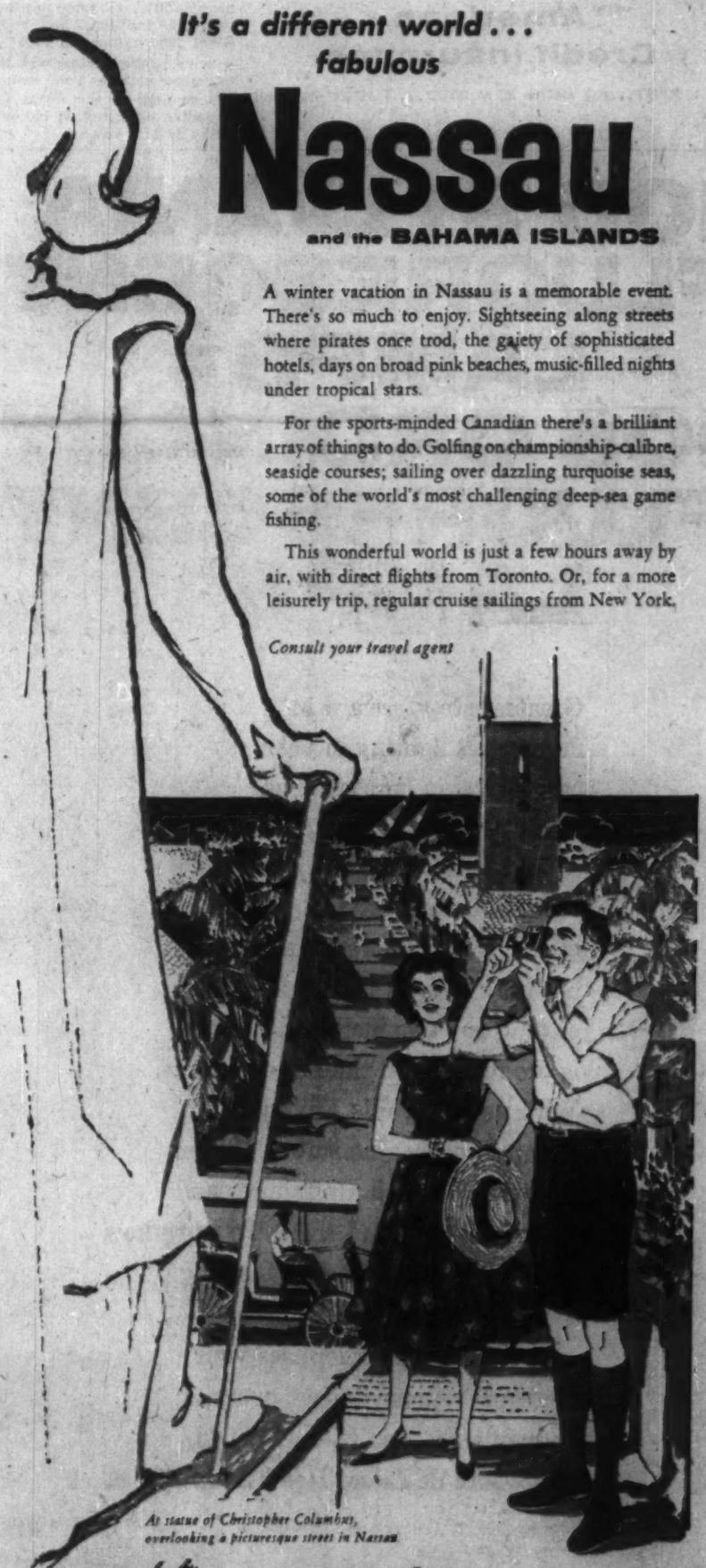
Nassau
and the BAHAMA ISLANDS

A winter vacation in Nassau is a memorable event. There's so much to enjoy. Sightseeing along streets where pirates once trod, the gaiety of sophisticated hotels, days on broad pink beaches, music-filled nights under tropical stars.

For the sports-minded Canadian there's a brilliant array of things to do. Golfing on championship-calibre, seaside courses; sailing over dazzling turquoise seas, some of the world's most challenging deep-sea game fishing.

This wonderful world is just a few hours away by air, with direct flights from Toronto. Or, for a more leisurely trip, regular cruise sailings from New York.

Consult your travel agent

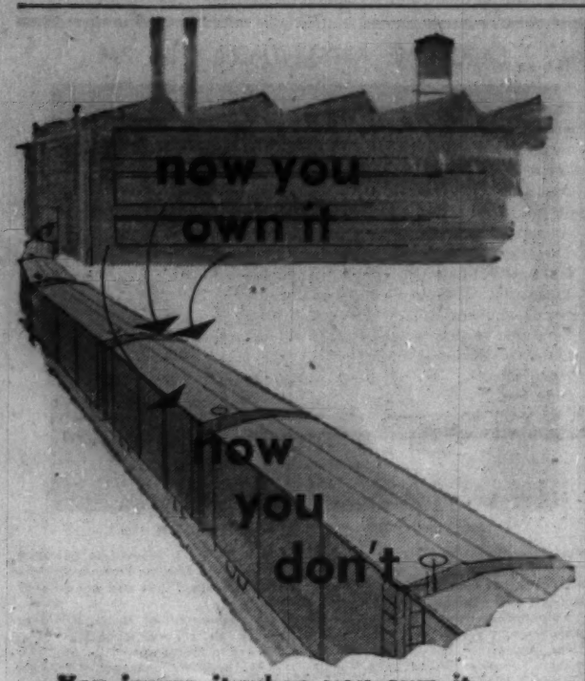


At statue of Christopher Columbus, overlooking a picturesque street in Nassau

Send for this FREE illustrated booklet

BAHAMAS DEVELOPMENT BOARD C 1259
707 Victory Bldg., 80 Richmond St., W.
Toronto, Ontario. Telephone: EMpire 4-9657

NAME _____
ADDRESS _____
CITY _____ ZONE _____ PROVINCE _____



You insure it when you own it ...why not when you don't?

When shipment is made—title passes to the purchaser. In place of your product there is now an account receivable. It is sound to insure while you own the product... equally sound to insure when *your customer* owns the product, and owes *you* for it. American Credit Insurance, by protecting accounts receivable, plays a major role in good management... makes a basic contribution to financial security and sales progress.

SEND FOR BOOKLET on the many advantages of modern credit insurance. Write AMERICAN CREDIT INDEMNITY COMPANY of New York... Dept. 31, Montreal, Quebec, Sherbrooke, Toronto, Hamilton, Woodstock or Vancouver.

Protect your investment in accounts receivable with

American Credit Insurance

ANY ACCOUNT... NO MATTER HOW GOOD... IS BETTER WITH ACI

More on Price Spreads

(Continued from page 3)

tions in the Department of Justice, a voluntary "Consumer Information Service" (as in U. S. and U. K.) and the development of "consumer co-operatives" which could get cheaper prices by cutting out "services" they don't want.

The Problem

From 1949 to 1958 farm prices for foodstuffs remained virtually the same.

Retail food prices rose by 20%.

The farmers' share of the price paid by customers fell from 59% to 44%.

The problem set the Royal Commission was to find out what happened to the extra money consumers are now paying for their food.

Here are some of the basic figures they started with:—

- Canada's total food supply comes 80% from Canadian sources; 20% from imports.
- Farmers got 60% of their income from domestic sales in 1949-51. In 1955-58 they depended on the domestic market for 65% of their cash income.
- Between 1949 and 1958 their cash receipts from domestic sales increased by $495 millions.
- But the increase in what Canadians spent on food of domestic origin during the same period was $1,846 millions.
- The "marketing bill" increased some $1,400 millions — or nearly 150%. (It came to nearly $2,250 millions last year: about $900 millions in 1949).
- Some of the increase was due to greater volume. Food materials coming off the farms for Canadian consumption increased by 36% in volume.

The cost of marketing a given basket of food, says the Report, was 84% higher in 1958 than in 1949.

That's the increase in "spread" which was under investigation.

Marketing Costs

This is how the Commission breaks down the 84% increase in marketing costs for a given volume:—

1. The food basket changed. Per capita consumption changed very little—actually dropped a little—measured by weight. It was 1,445 lb. in 1948-50; 1,426 lb. in 1955-57.

Canadians now buy:—

—**Less cereals,** potatoes;

—**About same:** dairy products (ex. butter), fats and oils, sugar and starch;

—**More beef,** pork and poultry meats.

These changes from the cheaper foods to more expensive ones increased the per capita food bill by 19%, the Commission estimates.

They also added 7% to the marketing costs.

2. More services were provided.

The Commission asks why, and concludes:—

—Marketing firms were getting their farm materials cheaper; but consumers' incomes were higher. Advancing prices met little resistance.

—Profits were good; and the firms' object was to increase them by getting a larger share of the market.

—Additional sales promotion, by offer of new services (including give-aways and other gimmicks), could be covered in rising prices.

—Price competition consisted mainly in "specials", and sporadic "price wars". The main competitive effort was in providing extra services — which could always be withdrawn if they ceased to be effective.

The **amount** of extra services provided in 1958, compared with 1949, is estimated at 28%.

3. These services cost more.

This wasn't because of any special conditions in the food industry, says the report. It was part of the general inflationary situation.

The increased cost of services is estimated at 43%.

Here are some of the things the food industry paid more for:—

Transportation up nearly 125%.

Advertising: up about 400%.

Cold storage: up 76%.

Packaging (materials and containers only): up 118%.

Wages: current rates up 50% real earnings: up 23%.

Breakfast Foods

The five big retail chains — **Dominion Stores, Loblaws, Steinberg's,** and the U. S.-owned **A & P** and **Canada Safeway** — come in for special notice because over the period 1949-57 their rate of return on investment averaged 17.1% per year.

This compares with less than 10% for all retail trade, and 15% for all food retailers (except dairies).

The 1958 profits, the Commission says, "remained close to 1957 levels".

The breakfast food firms — three of which were counted — averaged a rate of return of 29.2% over the same period.

The industry, says the Commission, is dominated by U. S. companies.

"The main firm in the field", it says, "is **Kellogg's.**"

Until recently **Nabisco** and **Quaker Oats** were the next two of significant size.

General Foods came next; and during the '50's **General Mills** also started up in Canada.

"These companies have engaged in many of the merchandising activities with which consumer's groups expressed displeasure at our public hearings", says the Commission.

Mentioned are:— coupon offers; in-packet premiums; advertising directed to children; high and increasing level of advertising.

"Promotional expenses ranged from 13.4% to 20.2% of sales in 1957."

Conclusion: "There is no physical characteristic of the products which could not be duplicated by a competent competitor.

"In terms of a fair and reasonable return on capital, there was **no necessity for so rapid an advance in prices.**

Retail Chains

Because of the rapid expansion of the five big chains, says the report:—

"It seems likely that excess physical capacity will emerge, and possibly 'Price wars' with reduced prices will occur.

"Either would continue the downward trend of profits towards more normal levels . . . .

"Between 1950 and 1957 the profits of major chains dropped from 20% to 15% on net worth.

"Total retained earnings amounted to 95% of the net worth in 1949 and 38% of net worth in 1957."

Some disadvantages to financing so much expansion out of retained earnings are mentioned.

If the earnings had been distributed, and new finance had been raised in the market, it says, ownership of these companies might be more widely dispersed; more of the profits might have been invested in other sectors of the economy; and inflationary pressures might have been reduced.

Commission's Recommendations

Here are the formal recommendations of the Royal Commission on Price Spreads:

1—Private companies should be brought under Sec. 121 of the Dominion Companies Act. (Private, as well as public, companies would then have to file annual financial statements.)

2—The Government of Canada should "maintain a firm position in defence of a stable level of domestic prices" and the people should "lend their support to all policies appropriate to this end".

3—A permanent council on Prices, Productivity and Incomes should be appointed "to keep the whole area of the food industries under review", reporting annually to the Governor-in-Council for five years. It would "give particular attention to changes in productivity and to situations in which increasing efficiency offers prospect of price reductions".

4—"We recommend that the Director of Investigation and Research, Combines Investigation Act, be put in a position to extend enquiries into the buying practices (including contractual arrangements between buyers and primary producers) and the selling practices of large business organizations in the food industries and to give the results the widest possible distribution and publicity."

5—If stamp plans are continued, it should be required of the retailer that, at the time the purchases are made, the customer be given the alternative of a specified cash discount. The Commission adds that it does not wish to lend any semblance of support to stamp plans as they are now devised.

6—More informative labeling, standardization of container sizes and simplification of grading and "a code of ethics designed to guide food advertisers generally".

7—An appropriate office in the Department of Justice which would prepare, publish and keep up to date a report on legislative measures to protect consumers, and on services — governmental, trade and voluntary — available to consumers".

8—More complete information should be obtained on the operations of small enterprises.

9—A federal statute providing for the incorporation of co-operatives.

10—Statistical services should give more attention to improvement of data on incomes derived from productive services.

11—An approach to statistics should be designed to detect as quickly as possible the industrial situations in which efficiency is increasing most rapidly.

new kind of new business

Stone & Webster is kept busy all over the world, designing and constructing new projects for old clients. In fact, 80% of its new business is work done for clients previously served.

Stone & Webster is understandably proud of the long list of clients who call upon it again and again for any or all of its complete, integrated engineering and construction services. Such client satisfaction is a tribute to the capabilities and integrity of Stone & Webster engineers and constructors, and to the organization's record of accomplishment in almost every branch of industry.

Put Stone & Webster's experience to work for *you*.

STONE & WEBSTER CANADA LIMITED

44 King Street West — Toronto 1

917 Lancaster Building — Calgary

100 SYLVANIA FLUORESCENT LAMPS = 108 ORDINARY FLUORESCENT LAMPS

Greatest step forward in fluorescent lighting in years, new Sylvania lamp ratings mean you get a dividend of light equal to *eight extra lamps* for every 100 ordinary lamps you use. Sylvania fluorescent lamps not only deliver greater light output but this increased light is produced with the same wattage. With new Sylvania Fluorescent Lamps, you can be sure of longer lamp life, fewer lamp failures and decreased overhead costs. To learn how leadership in lighting engineering can bring more light at lower cost to your operation, see your Sylvania representative, or write: Sylvania Electric (Canada) Ltd., 6233 Cote de Liesse Road, Montreal 9.

SYLVANIA FLUORESCENT LAMPS

Money Needs the Right Mix, too

The amazing mobile feed mill pictured above mixes grains and health building additives on the site to the precise needs of livestock growers. C.A.C. arranges financing for sale of the equipment—a balanced mixture of money and terms suited to the exact needs of the Daffin Manufacturing Company's customers. Another example of how the right C.A.C. financing builds a manufacturer's sales potential.

But whether you are buying or selling income-producing equipment of any type, C.A.C. arranges *long* terms —with payment schedules custom-built to the need. You or your customers can use long-term C.A.C. Pay-As-You-Depreciate Financing. PAYD Plan payments parallel the equipment's efficiency and money-making ability . . . larger in the early years . . . lower in the later years.

C.A.C. financing is always designed with your particular purchasing and sales problems in mind. For complete details, write or call your nearest C.A.C. office.

Equipment Financing Division

CANADIAN ACCEPTANCE CORPORATION LIMITED

HALIFAX - FREDERICTON - QUEBEC CITY
MONTREAL - TORONTO - PORT ARTHUR
WINNIPEG - REGINA - SASKATOON - CALGARY
EDMONTON - VANCOUVER

8939

FRASER DEACON
C. L. U.
Estate Planning
Business Insurance @ Estate Taxation
330 UNIVERSITY AVENUE
TORONTO 1 — EM. 8-7432

CORRADO OF HAMILTON

Year after Year

DESIGN . . .
QUALITY . . .
AND CRAFTSMANSHIP
THAT ENDURES

CUSTOMER RECOGNITION
OUR GREATEST TRIBUTE

The Corrado Ltd.
CUSTOM TAILORS
71 MAIN STREET EAST, near John
HAMILTON

GOLD PRODUCTION

The 30 producing gold mines operating in Ontario during October, produced bullion worth $7,558,567 from the milling of 794,030 tons of ore. Output is down from $7,842,435 in the same month last year. Bullion production for the first 10 months of 1959 totals $73,839,557.

Energy Board May Trigger Western Gas Development

An all-important part of the **Trans-Canada Pipe Lines** gas export application to be considered by the National Energy Board in consolidated hearings commencing Jan. 5 is proposed export into New York state.

This is in addition to exports into the U. S. Midwest at Emerson, Man. and would be surplus gas to be delivered into the New York transmission system of **Tennessee Gas Transmission Corp.**

This could have an important impact on company operations. It would assure Trans-Canada's pipeline system operating on a more efficient basis.

Under the existing contract with Tennessee that company agrees to take delivery from Trans-Canada of surplus gas on any day, up to 204 million cu. ft.

This would be gas Trans-Canada had available in its system after meeting all of its Canadian markets and its export market at Emerson.

Tennessee has large market commitments in New York state and operates important storage facilities as well.

The five separate gas export applications to be considered by NEB entail a total maximum delivery to U. S. on any one day of 880 million cu. ft.

(Trans-Canada, 204 million cu. ft.; **Alberta & Southern**, 458 million cu. ft.; **Westcoast Transmission**, 165 million cu. ft.; **Canadian-Montana Pipe Line**, 36 million cu. ft.; and **Niagara Gas Transmission**, 16.7 million cu. ft.)

NEB will be chiefly concerned over the following points:

- **Have the companies actually contracted** for adequate gas supplies to serve these, plus forecasted domestic requirements?
- **Are there enough proven gas reserves** — and forecasted probable reserves — to look after Canada's long-term requirements plus the export market demands?
- **Are the export contract prices** reasonable in relation to existing prices charged Canadian gas utilities?

Approval of all these export applications could trigger a huge multi-million dollar gas development and pipeline construction program in Western Canada this summer.

It would open up a new revenue flow to western petroleum producers estimated to start out at around $42 million in the first year and escalate to many times that amount over the life of the gas contracts.

Trans-Canada Pipe Lines claims in its submission to NEB that it would realize a net profit of $4,520,000 in 1961 on total sales of $86,067,000 if NEB approved its export bid. (There will be no income tax provisions for several years because of loss to be carried forward.)

Quebec Gets $16 Million Pigment Mill

(CONTINUED FROM P. 1)

Canadian plant would be near Sorel.

Tioxide pigments have been sold in Canada by BTP since 1950, when the British firm got 19% of the market. By 1957 BTP's share had grown to 49% in competition with top U. S. producers.

That year domestic production entered the picture, **Canadian Titanium Pigments Ltd.** opening a $15 million plant at Varennes, Que., 15 mi. east of Montreal on the St. Lawrence river.

A wholly-owned subsidiary of **National Lead Co.**, New York, Canadian Titanium gets its slag from Quebec Iron & Titanium, whose plant is a little further downriver.

There is no doubt that Quebec Iron & Titanium can supply two major producers of titanium pigments. Company's Allard Lake deposits of ilmenite are among the largest in the world, containing more than 125 million tons.

A $16 million expansion program has been completed at the Sorel plant and by installing some auxiliary equipment, all eight furnaces could be operated at the same time. Presently six are in use.

British Titan's requirements of 15,000 tons annually represent 1/16th of furnace capacity.

Canadia now consumes slightly over 25,000 tons of titanium pigments worth $12 million annually. This demand is expected to double in the next 10 years.

Until BTP entered the Canadian market in 1950, all was imported from the U. S.

Now Canadian subsidiaries of U. S. and U. K. giants will be fighting for the domestic market.

Apart from the paint industry, which consumes most of the pigment, the paper, rubber and plastic industries are taking increasing quantities of white pigments to satisfy demands for brighter colors in a wide range of everyday commodities.

a Harding carpet means many things to a business man

It means a new prestige, beauty and dignity imparted to your offices.
It means a new, quiet comfort conducive to increased executive and staff efficiency.
It means a new freedom from the accidents, medical costs and man-hour losses in non-carpeted, high accident areas.
It means a reduction of 50% in maintenance costs compared to costs of non-carpeted areas.
These are very sound reasons why you should see your Harding dealer soon. Harding carpet is available in a wide variety of weaves, colours and qualities or custom-designed to suit your exact needs.
We would be glad to send you complimentary copies of "Sound Conditioning with Carpet" and "Cutting Costs with Carpet." Write us today. Harding Carpets Limited, Brantford, Canada.

For the first name in fine carpets choose Harding Carpets

Rail Grinder Could Herald Smoother Ride

A rail-grinding train rented by **Canadian National Railways** may subdue the "clickety-clack" of cars on the steel track.

The grinder train began test runs at Sarnia this week.

It consists of nine odd-looking cars, running at a steady 2 mph. periodically showering sparks and dust from its wheels.

As the train moves along, 96 power-driven abrasive wheels mounted beneath the cars grind out corrugations and other rail surface irregularities.

If the tests prove successful, rides over ground track should be smoother, quieter and easier on both passengers and equipment, the CNR hopes.

The grinder train and its crew are from the **Frank Speno Railroad Ballast Cleaning Co.**, Ithaca, N.Y. The train has been in service for about four years on various U. S. railroads.

The train is scheduled to make test runs at Woodstock, Bronte, Toronto, Belleville and several points in Quebec.

JENKIN EVANS & CO., LTD.
Members
The Toronto Stock Exchange
360 BAY STREET, TORONTO, ONTARIO • EM. 2-1641
Branch offices in Ontario
COBOURG • PICTON • PORT HOPE • TRENTON
Cable Address: JENKVANTOR TELEX 02-2498

Vertical Integration Trend Growing in Chemical Field

Purchase of a long-established converting firm in Canada by **Dow Chemical of Canada** points up a growing trend in the chemical industry—vertical integration.

In plain language this is the purchase of industrial outlets for one's basic materials, but it often leads to a broader product diversification too.

Dow Chemical has acquired **Bradshaw's Ltd.**, a leading firm in the conversion of plastic film, paper and foil materials into packaging for consumer and industrial products.

Bradshaw's has plants in Toronto and Montreal and have been in the conversion business in this country for more than half a century.

In this particular purchase Dow is mainly interested in providing a broader marketing potential for its plastic materials in the packaging field.

This is a unique move for Dow in Canada.

It provides the company with new know-how and enables it to carry its basic products one step closer to end product level with all this implies in increased cost control and profit potential.

Dow has just brought Canada's first chemical plant for production of low-pressure-type polyethylene into operation at Sarnia, Ont.

Company is looking at various promising packaging applications for its polyethylene output, Company has also been importing its' Saran-Wrap packaging material from U. S.

Two other large chemical manufacturers in the plastics field have also recently integrated upwards.

Union Carbide Canada and **Canadian Industries Ltd.** have both purchased extruding firms — that is manufacturing units for making polyethylene film.

This is all part of the sharpening competition in the chemical field and the drive to secure established markets for basic materials.

H. P. SKOGLUND, *President*

Skog says...

"The high cost of living is the cost of high living"

There's a lot of complaining about the high cost of modern day living, but in some cases we get more than we think we do. Did you know that you spend exactly the same amount of your earnings on food as your parents did? A generation ago, the average family spent 25% of its income on food. Today, the average family still spends 25% of its income on food, but gets more for its money.

Yes, an hour's pay today will buy twice as much food as it would in 1929. Then, the work of an hour would buy 5½ loaves of bread or 3½ quarts of milk. Now, an hour's work will buy 10 loaves of bread or 7½ quarts of milk. So if our average family were content with the diet of a generation ago, only 20% of its earnings need be spent on food. The cost of living is high only because our standards of living are high.

And modern insurance plans are in step with those high standards. The average family of today can get more efficient protection than ever before. NALAC's Family Plan, for instance, covers Mom, Dad and all the children (even those yet to come), with just one reasonable premium a month. Plans like this one offer you benefits never dreamed of in 1929 — protection for the future *plus* confident living for today. See your NALAC representative now.

...insure confident living
NORTH AMERICAN
Life and Casualty Company
LIFE • SICKNESS ACCIDENT • GROUP
CANADIAN HEAD OFFICE — Hamilton, Ontario
Offices in Toronto, Winnipeg, Regina, Calgary, Edmonton, Vancouver

Coal Output May Reach 50-Year Low

MONTREAL (Staff) — Canadian coal production this year likely will hit a 50-year low but imports will run about the same as last year.

For the first 10 months production was 8.1 million tons, down from nine million in the corresponding period a year ago.

Output for the full year will be about 10.7 million against 11.6 million in 1958 and 13.2 million in 1957.

Ten years ago Canadian production was 19.1 million tons, not quite double the indicated figure for the current year.

Imports have shrunk even faster — despite steadiness this year — due to competition from other fuels in the vast central Canadian market.

In 1948 Canadian imports were more than 30 million tons. This year they will be about the same as in 1958 — 13.3 million tons, lowest since 1939 when 13.9 million tons were imported.

For the first 10 months of 1959 landed imports were 11.6 million tons against 11.2 million tons a year ago.

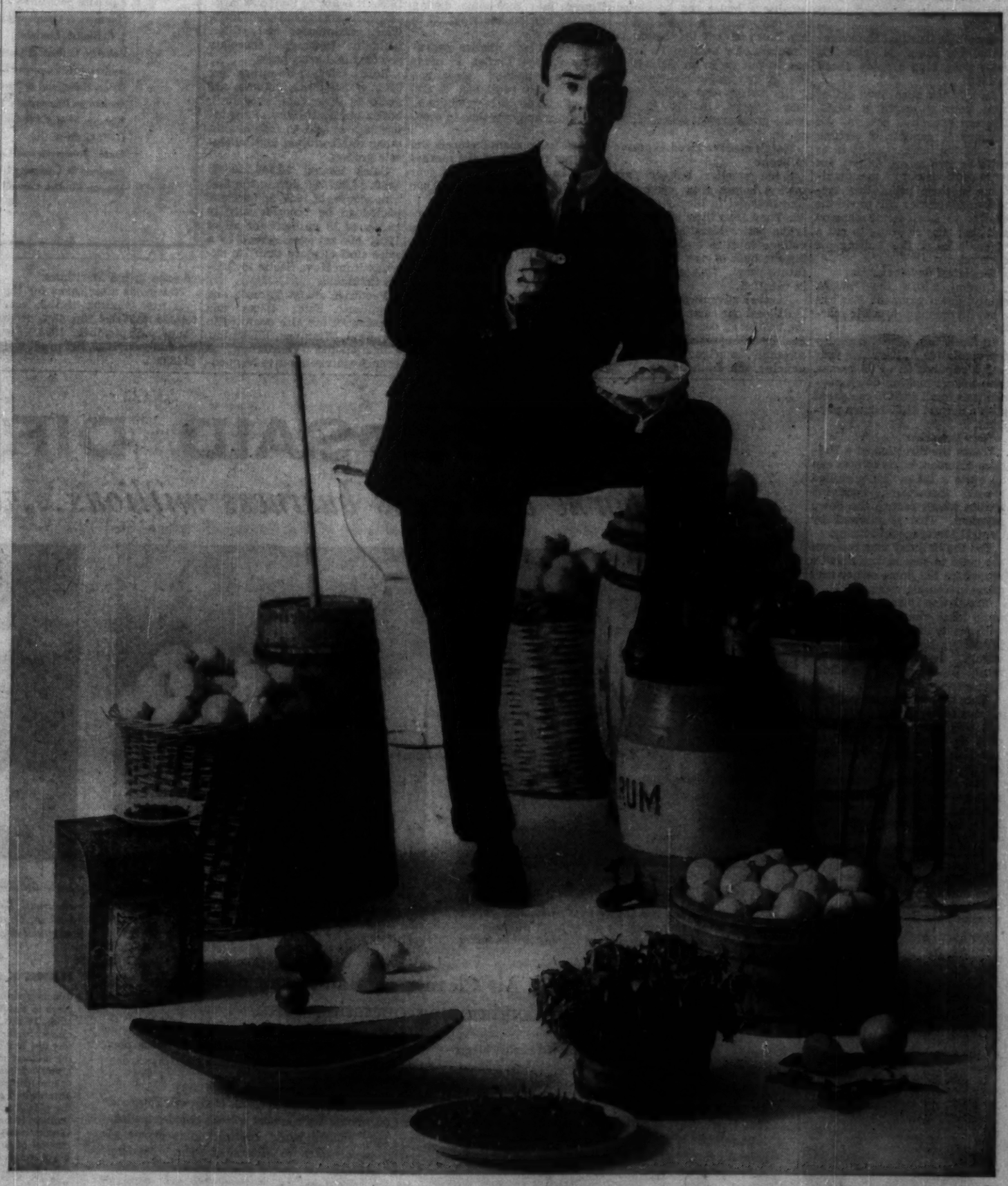
Total available coal this year will be around 24 million tons, down slightly from a year ago but off nearly 10 million tons from 1957.

Arcan Board Re-Elected

Annual meeting of **Arcan Corp.**, held in Toronto last week, re-elected four out of five of this year's directors to the 1959-60 board.

The vote was from 370,000 to 400,000 each for the successful directors against some 208,000 for W. R. Salter, top man on the opposing slate.

Replacing Mrs. D. A. Ritchie of last year's board is Robert Syrett of London, Ont.



SOLD on advertising in The STAR WEEKLY

...because The Star Weekly sells products in volume at low cost!

Thirty-two years ago, a new kind of candy appeared on the Canadian scene. It was destined to become one of the most famous of all candies. In 1931 they ran their first color advertisement in The Star Weekly ...and they're still in there. They know that The Star Weekly sells products in volume at low cost. So do the rest of the 500 leading advertisers who use The Star Weekly regularly.

Prefab Target: 11% of Market

Makers of factory-built houses shoot for 11% of housing starts within two years . . .

By FORBES GILBERTSON

This is proving to be a boom year for manufacturers of factory-engineered homes.

Major prefab firms report spectacular sales gains over 1958, ranging from 25% and up.

One company will sell 1,000 homes this year and reported a 155% gain in October over the same month last year.

G. W. E. Gordon, vice-president and general manager, **Halliday Co.**, one of the largest, told FP that this will be the best year his company has had since it began making homes, notwithstanding the tight money situation with regard to NHA mortgages.

Right now the outlook for 1960 is downright bullish.

Halliday expects its best year yet in 1960. S. W. Lindal, president, **Colonial Homes**, says home sales for his company "have been spectacular in 1959", will snowball next year, and predicted an inereasingly larger share of the housing market for the industry in successive years. His company already has production capacity 50% booked for 1960.

Sunnibilt, Cardinal Homes reported big jumps in sales this year, with bigger gains ahead in 1960.

So far, the slice they get of total housing starts is small. One top executive believes the industry is capable of getting 11% of the home market in as little as two years. Others are more cautious but all are unanimous in their belief that factory-made homes will prove the answer to small-home demand and that they're going to cut a bigger slice of the housing pie each year.

The latest developments:

Gordon sees the "sweat, equity, down payment plan" as a key to opening up a big market.

In Sault Ste. Marie, Halliday representative A. Kerr this year sold a subdivision of 65 homes, with buyers making down payments as small as $495 compared with a normal $1,500 down payment.

How it works:

Under the direction of a Halliday foreman, home owners can do quite a bit of the unskilled work themselves, receiving credits which reduce the down payment. This is allowed by Central Mortgage & Housing.

But the Halliday man reserves the right to step in and finish a job where the home owner isn't doing creditable work.

The home owner can save some labor charges, by helping with prime erection, stapling in insulation, laying tile, etc. But wiring, heating installations must be done by qualified tradesmen.

Kerr sold 100 homes last year on this basis, will sell a total of 100 this year, already has orders on hand for 50% of the 100-plus quota he's set for himself for 1960.

The homes were not erected on a speculative basis. All were financed by direct home-owner NHA loans. Price range: $12,600 to $13,200.

Halliday now plans this radical experiment:

Selling homes without any cash down payment at all, using the owner's sweat to wipe out the down payment.

The company owns 25 fully serviced lots in Chippewa, Ont. Responsible people lacking the necessary down payment can buy a Halliday home, save themselves money by doing unskilled work.

With labor costs always a major item, Gordon feels that this method of providing homes fulfills the original purpose of NHA to provide homes for people of modest income.

Project starts in the New Year. If demand goes as he confidently expects, similar Halliday projects are scheduled for 1960 elsewhere.

Halliday also erected 25 of its homes costing just over $12,000, comprising around 1,050 sq. ft. in area each, at Brooklin, Ont., on a purely speculative basis this year. All but seven are sold. Halliday plans more such speculative ventures.

Other advantages Gordon sees for the factory - engineered home:

It is ideal for winter building because a house can be closed in a day, ready for inside finishing. From subfloor up, the superstructure of a 1,400 sq. ft. home can be put up in an eight-hour day by an experienced crew.

His firm is also adding some new designs, mainly in the small-home area of around 1,050 sq. ft.

Here's another trend expected to boom:

Some smaller builders are buying homes from companies like Colonial in blocks of 10 to 35. They erect them on a speculative basis. Manufacturers see volume sales to builders forming the bulk of new business in future years. This is already so in the U. S.

Another advantage:

At least one company is offering builders a complete package deal including assistance in land assembly, mortgage funds, financing, scheduling, etc.

The same company, working closely with a small mortgage company approved as an NHA lender, has had no trouble supplying builders with NHA loans when other sources had been impossible. In spite of the tight money situation, the company has been able to guarantee responsible builders up to 25 loans.

Colonial Homes, in its new catalogue, will offer a complete, packaged unit comprising bathroom and kitchen which can be slipped into the home during erection and hooked right up to plumbing, etc.

This will help smaller owner-builders, says Lindal, in areas where qualified tradesmen aren't readily available. It also brings cost down in production, he claims, and cuts time in erection.

U. S. home manufacturers are shooting for 50% of the market there in five years. This year they will supply around 120,000 of a total of 1,300,000 starts.

This is regarded as over-optimistic by some Canadian manufacturers and even an estimate of 11% of the Canadian market in about two years is regarded as too rosy but bigger inroads into the market are going to be made each year and the factory-engineered home, they firmly believe, is going to have a significant place in the Canadian housing picture.

Turbines For Quebec Hydro Guarantee Work For 3,000

MONTREAL (Staff) — A multi-million-dollar **Quebec Hydro** order for turbines will keep things humming at the **Dominion Engineering Co.** plant at Lachine, Que., and stabilize its work force at about 3,000.

Order is for 12 Kaplan type turbines, rated at 60,000 hp, for Quebec's $200 million Carillon power development on the Ottawa River 45 mi. from Montreal.

It is the largest single order for hydraulic turbines ever placed by a Canadian utility, according to company officials.

Price was not disclosed. But last summer 10 Kaplan type turbines ordered from Dominion Engineering for the U. S. Wanapum development carried a $10 million price tag.

That was the largest export order for turbines ever placed anywhere in the world.

The Kaplan type turbine is equipped with adjustable runner blades which automatically take up a position for highest efficiency with varying power demands.

Quebec Hydro's order will provide some 1.4 million man-hours of work in the machine shops and foundries of company's Lachine plant and an additional 600,000 man-hours for sub-contractors in the province.

Design work is going on.

Present record: The 45,000-hp Beechwood turbines of the New Brunswick Electric Power Commission, also manufactured by Dominion Engineering.

Ultimate installed capacity at Carillon will be 840,000 hp. It will be a peak plant during winter and run-of-the-river in summer.

Stafford Foods Stock Offered

First public offering of common stock of a 24-year-old Toronto food processing firm was made this week by **Ross, Knowles & Co.**

Issue consisted of 225,000 common shares, par $1, of **Stafford Foods Ltd.** at $5 per share. On completion of the issue, there will be 475,000 shares outstanding, of an authorized 750,000 shares.

Stafford Foods has been headed by President J. H. Stafford since its founding in December, 1935. It is one of Canada's largest producers of fruit pie fillings, jams, marmalades and jellies, fountain toppings, chocolate powders and soup bases.

Bulk sales, accounting for 62% of Stafford's volume, are made to restaurants, hospitals, hotels and institutions. Remaining 38% is sold to food chains, other retail grocers and wholesale grocers.

Sales totaled $4,748,200 in 1958, $4,004,796 during the first nine months of 1959, and are expected to be "considerably in excess of $5 million" for all of 1959. Market area, served by a sales staff of more than 75, extends from Nova Scotia to British Columbia.

Factories are at Toronto and Hamilton. Sales offices and warehouses are also operated in Montreal, Winnipeg, Edmonton, Calgary and Vancouver. A branch warehouse is to be opened soon in the Maritimes.

Net profit after taxes for the first nine months of this year totaled $177,038, up 43% from January-September, 1958. For the full year 1958, net profit was $148,024.

Pro forma balance sheet dated Sept. 30, 1959, after giving effect to current financing, shows current assets of $1,680,136, net fixed assets of $320,292, and total assets of $2,045,395.

Current liabilities totaled $1,097,318. A 6%-7% mortgage was outstanding in the amount of $54,242. Earned surplus was $613,835.

Of the 225,000 shares being offered to the public, 60,000 were issued from the treasury and 165,000 sold by President J. H. Stafford. Price to Ross, Knowles & Co. was $4.50 per share.

Proceeds of the issue will be used for general corporate purposes.

These Bonds having been sold, this advertisement appears as a matter of record only.

New Issue

$35,000,000

The Bell Telephone Company of Canada

First Mortgage 6¼% Bonds, Series R

To be dated January 2, 1960 — To mature January 2, 1978

In the opinion of Counsel for the Purchasers, these First Mortgage 6¼% Bonds, Series R, will be investments in which the Canadian and British Insurance Companies Act states that companies registered under Part III thereof may, without availing themselves of the provisions of sub-section (4) of Section 63 of the said Act, invest their funds.

We, as principals, offer, subject to prior sale, these First Mortgage 6¼% Bonds, Series R, if as and when issued and accepted by us, and subject to the approval of all legal details by N. A. Munnoch, Esq., Q.C., Counsel on behalf of the Company and by Messrs. Holden, Hutchison, Cliff, McMaster, Meighen & Minnion on our behalf.

Price: 100 and accrued interest

It is expected that Temporary Bonds of the Company and/or Trustee's Interim Certificates, or Definitive Bonds of the Company in bearer and/or registered form, will be ready for delivery on or about January 7, 1960. The right is reserved to reject any or all applications, and also in any case to allot a smaller amount than is applied for.

A copy of the Prospectus, which has been filed with the Secretary of State of Canada in accordance with the provisions of the Companies Act, will be furnished upon request.

A. E. Ames & Co. Limited

Wood, Gundy & Company Limited	Dominion Securities Corpn. Limited	Greenshields & Co Inc
Royal Securities Corporation Limited	McLeod, Young, Weir & Company Limited	Nesbitt, Thomson and Company, Limited
L. G. Beaubien & Co. Limited	Mills, Spence & Co. Limited	Bell, Gouinlock & Company, Limited
Cochran, Murray & Co., Limited	Midland Securities Corpn. Limited	Burns Bros. & Denton Limited
W. C. Pitfield & Company, Limited	James Richardson & Sons	Harris & Partners Limited
René-T. Leclerc, Incorporée	Collier, Norris & Quinlan Limited	Dawson, Hannaford Limited
Equitable Securities Canada Limited	Mead & Co., Limited	MacTier & Co. Limited
Matthews & Company Limited	Fraser, Dingman & Co.	R. A. Daly & Company Limited
J. C. Boulet, Limitée	Geoffrion, Robert & Gélinas, Inc.	F. W. Kerr & Co.
Brawley, Cathers & Company	Fry & Company Limited	Dominick Corporation of Canada
Anderson & Company Limited	Crédit Interprovincial Limitée	Bankers Bond Corporation Limited
Osler, Hammond & Nanton Limited	Eastern Securities Company Limited	F. J. Brennan & Company Limited
Société de Placements, Inc.	Wills, Bickle & Company Limited	Bartlett, Cayley & Company Limited
Walwyn, Stodgell & Co. Limited	Pemberton Securities Limited	The Western City Company Limited
G. E. Leslie & Co.	Tanner Bros. Limited	Molson & Company Limited
Isard, Robertson and Co. Limited	Jennings, Petrie & Co. Limited	Houston, Willoughby & Company Limited
Stanbury & Company Limited	Grant Johnston & Co. Limited	John Graham & Company Limited
Deacon Findley Coyne Limited		Casgrain & Company Limited

WHO SAID DIRT CHEAP?

Air-borne dirt costs business millions . . . wastes air conditioning dollars

. . . clean air saves expensive decorating

Honeywell Electronic Air Cleaner traps smoky, dirty airborne particles. Clean air prolongs the life of paint, wallpaper and furnishings, reduces need for frequent cleaning and decorating.

. . . clean air cuts merchandise losses

Honeywell Electronic Air Cleaner removes tobacco smoke and other impurities to cut losses from soiled merchandise. Clean air reduces the need for dust covers.

. . . cleaned air lowers absenteeism

Honeywell Electronic Air Cleaner removes at least 90% of bacteria, viruses and pollen from the air . . . reduces communicable diseases and allergy discomfort.

. . . clean air saves cleaning dollars

Because of air-borne dirt, cleaning and painting cost 40¢ of every maintenance dollar. Honeywell's Electronic Air Cleaner removes 6 times more dirt than ordinary air filters.

A Honeywell Electronic Air Cleaner cuts air-borne dirt losses . . . saves up to 20% of air conditioning operating costs.

Freedom from the scourge of air-borne dirt means a bigger profit margin, a substantial saving in air conditioning dollars.

A Honeywell Electronic Air Cleaner does such a complete job of purification it can cut air conditioning costs up to 20%. Here's why: It reduces the need for "pulling in" large volumes of outside air that may be costly to cool or heat. Air that is already heated or cooled can be *cleaned* and recirculated.

The Honeywell Electronic Air Cleaner removes at least 90% of bacteria, viruses and pollen from the air . . . reduces the danger of communicable diseases and allergy discomforts. Helps hold down costly absenteeism.

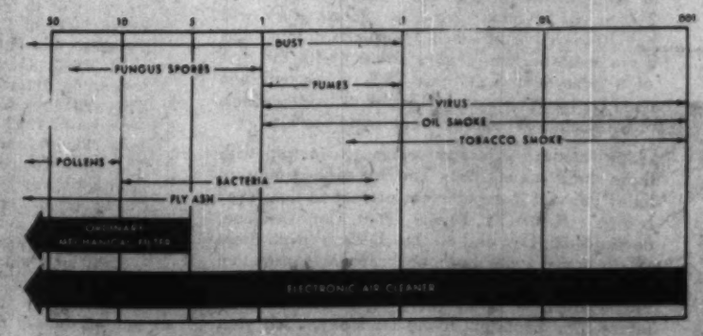
What ever your business, you'll realize worthwile savings in reducing cleaning and decorating costs. These, plus other savings, will more than pay for the initial installation of a Honeywell Electronic Air Cleaner.

FOR ANY SIZE BUILDING. All Honeywell Electronic Air Cleaners are built around a basic cell that permits easy, fast "building-block" construction to fit any air system—supermarket to skyscraper. The "building-block" technique has another economic advantage, too—it provides easier servicing.

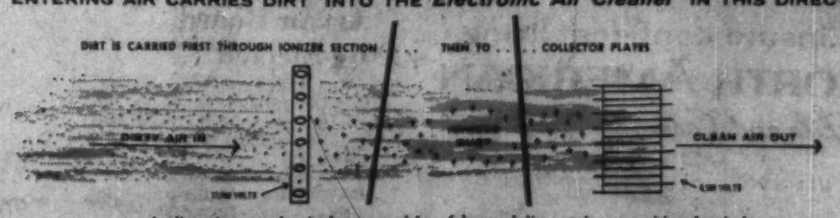
For expert information and assistance in specifying or installing Honeywell Electronic Air Cleaners call the nearest Honeywell office, or write to Honeywell Controls Limited, *Commercial Division*, Toronto 17, Ontario.

HERE'S PROOF—

Common air-borne contaminants range in size from 50 to .001 microns. In this area are the major causes of soiling and many respiratory ills. It should be noted that the ordinary mechanical filter removes only part of these contaminants—for practical purposes, very little under 5 microns. But notice the wide range of protection you get with a Honeywell Electronic Air Cleaner. Here you get not only the removal of large coarse particles, but microscopic carriers of many other kinds of dirt and disease, as well.



ENTERING AIR CARRIES DIRT INTO THE *Electronic Air Cleaner* IN THIS DIRECTION



As dirty air enters the air cleaner, particles of dust and dirt are given a positive electrical charge. The dirty air then passes over collector plates which have a negative charge and collect all the dust and dirt particles . . . just as a magnet attracts iron filings.

Honeywell

First in Control

ANNOUNCEMENT

BRYANT ANNOUNCEMENT

R. I. GOMES

The appointment of Mr. R. I. Gomes as Comptroller of Bryant Manufacturing Co. Ltd. is announced by Mr. J. H. Hobbs, P.Eng., Vice President & General Manager. Mr. Gomes succeeds Mr. Walter J. Drew Jr., who rejoined the parent company Carrier Corporation in Syracuse, N.Y. Mr. Gomes is a graduate General Accountant of The International Accountants Society Inc., and has been associated with Bryant for 4 years as General Accountant.

FERMAC PRINTERS
EM. 4-5311
930 ADELAIDE ST. W. - TORONTO

ANNOUNCEMENT

APPOINTED DIRECTOR

WILBROD BHERER, Q.C.,

who recently was elected to the Board of Directors of Canadian Vickers Limited. Mr. Bherer is a partner in the law firm of Bherer, Juneau and Côté of Quebec City, Chairman of the Board of Geo. T. Davie & Sons Ltd., Lauzon, Levis, P.Q., and a Director of La Prévoyance Cie d'Assurance.

MEMO TO:

PLAN YOUR Christmas MAIL NOW BECAUSE

Christmas cards that are mailed early are better cards. They are seen by more people and have a longer time in which to spread your wishes of goodwill.

Check your mailing list for correct postal addresses.

For faster delivery, bundle your mail and use local and out-of-town labels provided by the Post Office.

Clip this ad out. Circulate it around your office as an important reminder.

CANADA POST OFFICE

PO-59-5

ANNOUNCEMENT

APPOINTED

J. C. VAN HORNE, M.P.

General F. Malgar former Minister of Aviation in the Peruvian Government and President of Corporacion Aeronautica Peruana has announced the appointment of J. C. Van Horne, M.P. as International Vice-President of Corporacion Aeronautica Peruana.

INSIDE THE NEWS

A column of fact and comment on national and international affairs . . .

By J. K. EDMONDS

AN UPSURGE of interest in investment among Canadians who don't know a debenture from a debutante is reflected in:

- **Increased enrollment** in classes in investment.
- **Rapid spread** of investment clubs.
- **Increased coverage** of business and investment news by non-specialist media like the daily newspapers and the CBC.

The patient efforts of many investment dealers and mutual fund salesmen have a lot to do with this, of course.

But aiding their efforts are three special circumstances that are likely to persist for the next few years:

- **The heavy proportion** of middle-aged Canadians in the population.
- **The high level** of personal income.
- **And the interest** in investing generated by the row about inflation.

The middle-aged Canadian is naturally more interested in investment than his younger neighbor.

He's at the peak of his earning power (or approaching it) and is aware that he should try to hang on to some of his earnings to cushion retirement.

Candid comment on life expectancy (about 10 years longer for women than for men) makes him realize that his wife will very likely have to handle the family investments eventually; that brings her into the picture.

The family's major investments in comfort — house, car, basic appliances — have been made. Biology being what it is, extra income isn't likely to be absorbed by having more children.

Income in excess of current requirements no longer flows automatically to the purchase of something the family considers essential to their living standard.

The idea of investing it becomes more attractive because it involves less sacrifice of comfort and convenience.

The high level of personal incomes is important, of course, because it's a major determinant of the level of personal savings; if you haven't got it, you can't save it.

It's true that the capacity of North Americans to find things they want to consume has outstripped the expectations of the experts: the luxuries of one generation have become the necessities of the next.

But it's also true that the idea of consumption has been given a consistently hard sell over a long period of time, while it's only recently that the notion of mass selling of investment has shown its head.

In short, only recently has the ordinary family been offered a real alternative between "conspicuous consumption" and productive investment.

It's possible that the "unusually high rate of personal saving" referred to in the latest National Accounts report is linked with the opening of new channels for investment.

The row about inflation and tight money drew widespread attention to the fact that problems of investment and savings have something to do with us all, even those who can't look at a column of figures without wincing.

Many small investors are now taking an interest in the market not with the notion of making a fast buck but with the idea of finding out what goes on.

At least three high school classes in Canada operate investment clubs (not with real money — just theoretical purchases and sales) as a means of teaching students something about the Canadian economy.

Many of the clubs formed by well-heeled young matrons are regarded primarily as a means of learning what to do with money besides buying mink.

This is a far cry from the traditional view of the small investor as someone who is either a sucker for a quick pitch for a fly-by-night stock, or a cautious type who doesn't, and shouldn't, go beyond savings bonds.

This trend to broader ownership of securities by larger numbers of smaller investors may contain as many headaches for the investment business as the rise of the supermarket shopper did for the grocery business.

But it may at the same time accomplish two things that Canadian business sorely needs.

It can spread an understanding of business problems and business accomplishments in areas where business is now automatically considered wrong until proved otherwise.

And it can create a pool of domestic savings with which to finance Canadian growth without so much recourse to borrowing from the neighbors.

New Coal Mine in Springhill Would Employ About 100 Men

Special Correspondence

SPRINGHILL, N.S. — There might soon be a new coal mine in the disaster town of Springhill.

Mines Minister E. A. Manson of Nova Scotia has confirmed negotiations with a syndicate of independent coal operators and businessmen anxious to mine coal in Springhill, largely for the domestic market.

A new opening to shallow workings would be constructed on the old Dosco property. **Dominion Steel & Coal Corp.** surrendered its leases to the Nova Scotia government after the 1958 disaster in which 75 men were killed.

Representing a capital investment of about $250,000, the new mine would provide employment for 100.

Dosco's No. 2 colliery was the deepest in North America with slopes running as much as 2.7 mi. from pithead. Miners working at the end of the slopes were about 4,400 ft. below the surface.

Experts say there is little danger of bumps, such as caused the death-dealing 1958 blast and others preceding it, in shallow operations.

Meanwhile Manson's department has cracked down on some 15 illegal mines operating in the Springhill area.

Action was taken "for the safety of the men" since none of the workings met the requirements of the N. S. Mining Act. Some were getting deep enough to undermine roads, FP was told.

About 60 tons of coal a day were being bootlegged for use in Springhill.

THE DOMINION OF CANADA GROUP

THE DOMINION OF CANADA GENERAL INSURANCE COMPANY

THE CASUALTY COMPANY OF CANADA

AN ALL-CANADIAN GROUP

AUTOMOBILE • FIRE • CASUALTY

HEAD OFFICE: TORONTO

BRANCHES: METROPOLITAN TORONTO • HAMILTON • KITCHENER • LONDON OTTAWA • WINDSOR • MONTREAL • CALGARY • VANCOUVER • WINNIPEG PORT OF SPAIN, TRINIDAD • KINGSTON, JAMAICA

AN INVESTMENT OPPORTUNITY guaranteed by the government of Canada

$300,000,000

CANADIAN NATIONAL RAILWAY COMPANY BONDS

GUARANTEED UNCONDITIONALLY BY THE GOVERNMENT OF CANADA

The Bank of Canada is authorized by the Minister of Finance to receive on behalf of the Canadian National Railway Company, subscriptions for a loan to be issued for cash as follows:

25 YEAR 5¾% NON-CALLABLE BONDS

DUE JANUARY 1, 1985

Interest on these bonds will be payable on July 1 and January 1.

ISSUE PRICE: 98.50%

YIELDING ABOUT 5.86% TO MATURITY

5 YEAR 5½% NON-CALLABLE BONDS

DUE DECEMBER 15, 1964

Interest on these bonds will be payable on June 15 and December 15.

ISSUE PRICE: 98.50%

Exchangeable, at the option of the holder, on or before June 15, 1964 into an equal par value of 5½% non-callable bonds due December 15, 1971

YIELDING ABOUT 5.85% FOR 5 YEARS AND ABOUT 5.67% FOR 12 YEARS

Denominations in both maturities: $500, $1,000, $5,000, $25,000 and $100,000.

Operation of Purchase Fund—It is a condition of this issue that the Company will operate a purchase fund. The Company undertakes to use its best efforts to purchase during each quarter of each calendar year to maturity, commencing January 1, 1960, when available in the open market at prices not exceeding the original issue price, plus accrued interest, at least ¼ of 1% principal amount of the bonds maturing January 1, 1985; at least ¼ of 1% principal amount of the bonds maturing December 15, 1964 and outstanding on the first day of the quarter; and at least ¼ of 1% principal amount of the bonds maturing December 15, 1971 and outstanding on the first day of the quarter. The Company may, however, in any quarter of any year apply to this undertaking the purchase of those bonds made during the immediately preceding twelve months and not previously credited. At maturity the maximum amount of each issue which would be required to be purchased under these provisions would be fifty percent of the bonds maturing January 1, 1985, ten percent of the bonds maturing December 15, 1964, and twenty-four percent of the bonds maturing December 15, 1971.

Delivery dates—The 5¾% bonds will be dated January 1, 1960 and will bear interest from that date; delivery of definitive bonds will be made on or about January 4, 1960, without payment of accrued interest. The 5½% bonds will be dated December 15, 1959 and will bear interest from that date; delivery of definitive bonds will be made on or about December 15, 1959.

Payment—Principal and interest payable in lawful money of Canada. Principal payable at any Agency of Bank of Canada. Interest payable without charge at any branch in Canada of any chartered bank.

Registration and Transfer—Bonds may be registered as to principal or as to principal and interest. Definitive bonds will be available in two forms: bearer form with coupons attached (this form may be registered as to principal) and fully-registered form with interest payable by cheque. Bonds of both forms will be in the same denominations and fully interchangeable as to denomination and/or form (without charge and subject to the Company's transfer requirements where applicable). The Bank of Canada will act as registrar of this issue and transfers and exchanges may be effected through any of the Agencies of Bank of Canada.

Authority—These bonds will be a direct obligation of the Canadian National Railway Company, the capital stock of which is owned by Canada, and under authority of the Parliament of Canada payment of the principal of these bonds and of the interest thereon will be guaranteed unconditionally by the Government of Canada.

Purpose—The cash proceeds will be applied by the Canadian National Railway Company to the repayment of interest-bearing capital advances from the Government of Canada.

Subscriptions—Subscriptions may be made to Bank of Canada, Ottawa, through any investment dealer eligible to act as a primary distributor or through any bank in Canada. Subscriptions will be received subject to allotment or rejection in whole or in part. The subscription book will close at 8.00 p.m. Eastern Standard Time December 2, 1959. An official prospectus may be obtained from any Agency of Bank of Canada.

See your investment dealer or bank Today!

Ottawa, November 30, 1959.

MERTON DURANT

Pension Plans
Estates Analysis
Employee Benefit Plans

THE CANADA LIFE ASSURANCE COMPANY

320 UNIVERSITY AVE.
TORONTO
EM. 8-7432

Envelopes...your calling cards by mail!

You'll make a strong impression with "SAFETY SEAL"

NATIONAL PAPER GOODS LIMITED
HAMILTON ONTARIO
Halifax • Montreal • Toronto
Winnipeg • Vancouver

U.S. Study Aids West Coast Plans

Alaska Commission studies help map British Columbia resources . . .

From Our Own Correspondent

VANCOUVER — Canada's West Coast will receive free a vast amount of information about its resources and economic future, thanks to U. S. interest in transportation routes to Alaska.

This becomes apparent as the work of the Alaska International Rail and Highway Commission, established by Congress, continues.

The commission originally was interested primarily in the engineering feasibility of roads and railways between Alaska and the 48 continental states.

But recent commission statements point up that its task is much broader — encompassing many economic features.

For example, Carl L. Junge, executive director of the commission, recently pointed out the study is to determine the economic benefits to be derived from additional transportation facilities by Canada, Alaska and the other states.

It is also to consider feeder routes, either rail or highway, connecting coastal ports with facilities in the interior. (The latter would apparently involve the Alaska Panhandle, which cuts off northern British Columbia from the Pacific Ocean.)

As well, rather than looking at a river valley to determine whether it is a suitable route for road or rail, the commission began its study by looking at resources.

This resources study apparently embraces Canadian resources along the way.

And these resources, as listed by Junge, include metals and minerals, forest products, agriculture, fish and wildlife, water power and fuel, including oil, gas and coal, and human resources, including tourism and area development.

Engaged by the commission to undertake this massive job is the **Battelle Memorial Institute** of Columbus, Ohio, who are said to be to U. S. industry what the Mayo Clinic is to medicine.

The scope of Battelle's studies are interesting:

It is to look at the competitive position of all of the products in the region in world markets.

For example, if copper is going down in price and value and is not going to be marketable, the Commission would not want to place emphasis on a big copper find in relation to transportation.

Thus Battelle will go into the market and anticipate, or forecast, over the next 20 years in five-year increments, the competitive positions, and who these products might have to compete with, in all world markets.

Similarly, Battelle must look into the technological position of each of the products in the great northwest region of the continent, to assure that they will be used and in demand over this 20-year period.

The commission doesn't want to hang its hopes on cut timber, for example, if wood fibres are going to be used in either plywood, pressed wood, ground wood or pulp or paper of some kind.

Thus the scope of the commission's huge undertaking — and the knowledge that some of this information almost certainly will be available to Canada — makes its work much more significant for this country.

It will also study pipelines, water and air in the region.

The institute will select certain geographical areas which have, in its opinion, substantial industrial raw material bases.

It will then estimate even the size of plant which might be built.

Battelle's report — it was one of 18 organizations which bid on the job — is due to reach the Alaska Commission in December, 1960.

The commission then will correlate the report with military considerations, and submit its report to Congress by June, 1961. The commission then goes out of existence.

TANKOOS YARMON LIMITED
Realty Investments

This is the newspaper

. . . that the whole family relies on when Montrealers plan their shopping!

Market data on request.

The Montreal Star
"Largest English daily in Canada's largest city"

Lagging Revenues Suggest Deficit Of $400 Million

OTTAWA (Staff) — Current position of government revenues and expenditures is frankly disappointing.

It had been hoped that increasing revenues would by now be giving promise of a substantial reduction in the budget forecast of a $393 million deficit.

No such hope is now held out.

For the seven months April-October, the deficit was $126 million. Even allowing for some spurt in revenues in the remaining five months, this foretells a deficit of $390-$400 million at March 31. At the same date in 1959, it was $609 million.

Disappointing yield of tax revenues in third quarter 1959 is regarded here as the reflection of a reduced rate of increase in the national product.

It is also thought possible that "tight money" has created a general disposition to postpone payment of taxes as long as possible, in which case payments will be higher in the later months of the year than the government had calculated.

But taking into account the cash receipts not far short of $300 million from this week's **CNR** bond issue, and about $500 million extra from Canada Savings Bond sales, the government should be able to start the new calendar year with well over $500 million in its bank account. At the end of 1958, its bank deposits were barely $370 million.

The estimated $500 million extra from Savings Bond sales is after allowance for the considerable volume of CSB's expected to be cashed during December.

If December redemptions do not exceed $110 million, then the target of a $500 million addition will be reached.

Dissidents Seek Seats On C&D Board

MONTREAL (Staff) — **Canada & Dominion Sugar Co.** dissident shareholders—faced with the fact that giant U. K. **Tate & Lyle** sugar interests have obtained control — may try for minority representation on the C & D board.

This is among matters that the dissident committee, headed by Eric Reford and Guy Drummond, Montreal, were slated to bring up at the special C & D shareholders' meeting scheduled for Friday, Dec. 4 (**FP**, Nov. 28).

Charging that the company's present predicament stems from the decision to build the C & D Toronto refinery, the two contend that working capital would have been at least $17 million and net profits would justify continuance of the former regular dividend rate of $1.20 per share had the refinery not been built.

Referring to the price of $25 per share offered by Tate & Lyle for half the outstanding C & D stock not already held, Reford told **FP** it was unsatisfactory. According to the only indications given "it seems to have been recommended on the basis of shareholders' equity which substantially reflects a 1931 valuation of the fixed assets at $21,412,617, when replacement cost would probably be $44,000,000.

"Taking this into account plus the working capital of $10,931,000 and deducting $7 million of debentures we get a realistic figure of $30 as the per share value," Reford added.

He said that while present company regulations make no specific provision for representation of a minority on the C & D board, Tate & Lyle "might well consider that shareholders who have made such a substantial sacrifice both in dividends and in reduction of their holdings are entitled to a voice in the affairs of the company, particularly at a time when management and other problems demanding Canadian experience are under review."

When you travel on business...

GO TILDEN

in a car of distinction!

GO *TILDEN* all the way — or arrange to have a sparkling new car waiting for you when you arrive at airport or railway station. You'll save time and trouble and enjoy a car as private as your own. It's inexpensive too!

TILDEN rent-a-car

THE ALL-CANADIAN SYSTEM
Agents Throughout The World
Head Office: 1194 Stanley St., Montreal, Quebec

Dividend Changes

AGNICO MINES—Common, 3c payable Jan. 15, 1960, to holders of record Dec. 31; ex-dividend Dec. 29. Initial dividend. Recent price: $0.62.

ALGONQUIN BUILDING CREDITS. — Common, 15c payable Dec. 15, to holders of record Dec. 4; ex-dividend Dec. 2. Total paid or declared to date in 1959, 25c; total paid in 1958, 20c. Recent price: $19.

BELL TELEPHONE—Common, 55c payable Jan. 15, 1960, to holders of record Dec. 15; ex-dividend Dec. 11. Company paid $2 in 1959. Recent price: $42.25.

BRITISH AMERICAN BANK NOTE CO.—Common, 50c plus 90c extra payable Dec. 15, to holders of record Dec. 1. Total paid or declared to date in 1959, $1.70 plus 90c; total paid in 1958, $1.45 plus 70c. Recent price: $49.

R. L. CRAIN—New common, 10c payable Dec. 31 to holders of record Dec. 11; ex-dividend Dec. 9. Total paid or declared to date in 1959, 28¾c plus stock. Recent price: $20.13.

CROWN TRUST — Common, 25c payable Jan. 2, 1960, to holders of record Dec. 21; ex-dividend Dec. 17. Company paid 80c in 1959. Recent price: $25.75.

DOMINION GLASS—Common, 85c payable Jan. 15, 1960, to holders of record Dec. 28; ex-dividend Dec. 23. Company paid $3 plus 60c in 1959. Recent price: $80.

FASHION CRAFT—Common, 20c payable Dec. 15 to holders of record Oct. 13. Total paid or declared to date in 1959, 20c; total paid in 1958, nil.

HARDING CARPETS—Common 15c plus 10c extra payable Jan. 1, 1960, to holders of record Dec. 15; ex-dividend Dec. 11. Company paid 50c in 1959. Recent price: $15.50.

HORNE & PITFIELD FOODS—Common, 7½c payable Jan. 6, 1960, to holders of record Dec. 16; ex-dividend Dec. 14. Initial dividend. Recent price: $5.

HUBBARD FELT—Common, 50c payable Jan. 1, 1960, to holders of record Dec. 10; ex-dividend Dec. 8. First since 1949. Recent price: $8.

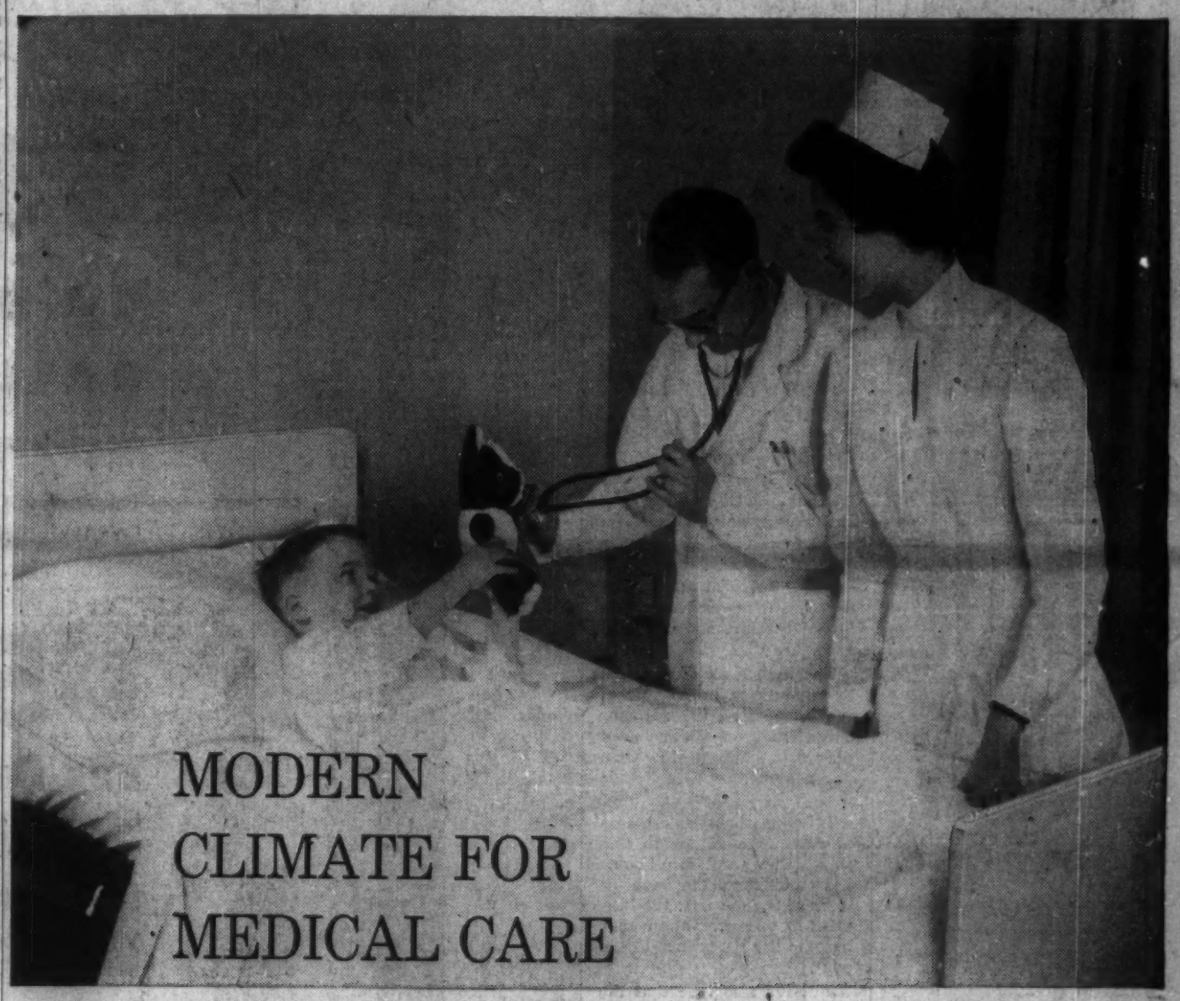
INLAND CEMENT—Ordinary, 6c payable Dec. 31 to holders of record Dec. 14. Initial dividend.

PATINO OF CANADA — Common, 10c (U. S. funds), payable Dec. 30 to holders of record Dec. 15; ex-dividend Dec. 11. Total paid or declared to date in 1959, 10c; total paid in 1958, nil. Recent price: $0.70.

PRESTON EAST DOME MINES — Common, $1 payable Dec. 24 to holders of record Dec. 11; ex-dividend Dec. 9. Total paid or declared to date in 1959, $1; total paid in 1958, nil. Recent price: $5.40.

G. TAMBLYN—New common, 15c plus 45c extra payable Jan. 2, 1960, to holders of record Dec. 4; ex-dividend Dec. 2. Company paid 60c plus 40c in 1959. Recent price: $25.

UNITED AMUSEMENT CORPORATION—Class A and class B, 25c plus 15c extra payable Dec. 15 to holders of record Nov. 30. Total paid or declared to date in 1959, 50c plus 15c; total paid in 1958, 80c. Recent price: $12.



MODERN CLIMATE FOR MEDICAL CARE

Controlled Temperatures and Humidities Boost Efficiency in Today's Hospitals...

Johnson Air-Conditioning and Temperature Control Systems help many of Canada's hospitals give better patient care, increase productivity, and cut building operation costs.

With Johnson Control, temperatures and humidities can be matched to each special need, thus assuring ideal thermal conditions for patients' health and comfort.

Likewise important is the fact that a Johnson System can eliminate the chore of checking room temperatures, save nurses' time, and maintain a comfortable, productive working environment for the entire staff.

Johnson Control also results in lower operational costs, for pneumatic controls are simpler, easier to understand and operate, require less supervision, cost less to maintain, and use less power than any other type of controls.

Quality-built buildings *of all types and sizes* enjoy the superior comfort and performance features of Johnson Air-Conditioning and Temperature Control Systems. When you build or modernize, the chances are that you, too, can benefit by having Johnson install a specially engineered control system. Your consulting engineer, architect, or local Johnson representative has all the facts.

Johnson Controls Ltd., Toronto 16, Ontario.
Branch Offices in Principal Cities across Canada.

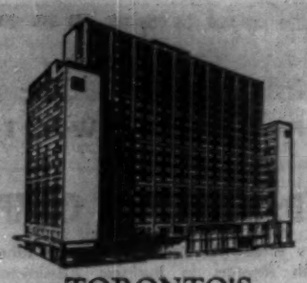
St. John General Hospital, St. John, N.B. Alward & Gillies and Mott & Myles, architects; Moore, Cowan & Associates, mechanical engineers.

The Children's Hospital, Winnipeg, Man. Moody & Moore, architects and engineers.

The Montreal General Hospital, Montreal, Quebec. Fleming & Smith, architects; McDougall & Friedman, mechanical engineers.

JOHNSON CONTROL
PNEUMATIC SYSTEMS
GROWING WITH CANADA SINCE 1912

TEMPERATURE & AIR-CONDITIONING CONTROL SYSTEMS FOR COMMERCIAL, INDUSTRIAL & PUBLIC BUILDINGS—AND SHIPS



TORONTO'S
LORD SIMCOE HOTEL
where you feel the friendly welcome

EXCELLENT FOOD • TV AND RADIO
SHOWER AND BATH IN EVERY ROOM
Singles from $7.50 Doubles from $11.50

* COMFORT * CONVENIENCE
* LOCATION * ECONOMY

University at King Street, Toronto • For reservations phone: EMpire 2-1848

CANADA: The Lord Elgin, Ottawa
The Lord Simcoe, Toronto
CHICAGO: The Sherman
The Hotels Ambassador

ANNOUNCEMENT

RUBBERSET COMPANY APPOINTMENTS

J. E. HUGGETT D. W. CAMPBELL

The Board of Directors of Rubberset Company (Canada) Limited announces the election of Mr. J. E. Huggett, President and a Director. Mr. Huggett was formerly Vice-President — Sales.

Mr. D. W. Campbell has been appointed General Sales Manager. Mr. Campbell was formerly Assistant Sales Manager.

Machine and the Man-Age

The Friden Automatic Calculator you see above is a truly marvellous machine. Under direction, it can add, subtract, multiply and divide, compute decimals—all with the highest degree of speed and accuracy. The Friden gives accumulated or individual answers, and clears automatically after each calculation.

You'll notice we said "under direction" . . . and that's where the man-age comes in. For we live in a wonderful man-age, where man does the thinking and machines like Friden do the work.

The gentleman with the Friden, Mr. H. F. Grundy of Moffats Limited, uses his Friden to plan and carry out market analyses and production planning. Mr. Grundy has to evaluate countless data—and accuracy and dependability are essential. As Mr. Grundy says, "In this one machine I get *all* the qualities I need. My Friden is worth more to me than a whole staff of assistants."

Find out for yourself what Friden can do. Write or phone for a remarkable 15-minute demonstration. No obligation, of course.

Moffats, leading Canadian appliance manufacturer chooses Friden . . . because Friden does more operations without operator decisions than any automatic calculator.

71322-A

Friden
FIGURES FASTER

Sales and Service across Canada

71322-AR

CANADIAN DISTRIBUTORS,
JOSEPH McDOWELL SALES LTD.
36 MOBILE DRIVE, TORONTO 16, ONTARIO, PLymouth 9-4121

ANNOUNCING

Important appointments in Canadian Industry, Finance, Business and Government

Aro Equipment Canada Ltd. (Toronto) — Z. H. Zinmaster, vice-president and general manager.

Bell & Howell Canada Ltd. (Toronto)—Robert K. Brayton, sales manager, field operations.

Canadian Industries Ltd. (Montreal) —L. V. Clegg, general purchasing agent; K. A. Shantz, production manager; H. G. Sewell, division sales manager, fertilizers; F. P. Smith, Toronto district sales manager; G. R. Blais, Chatham district sales manager; W. E. Denmark, manager Hamilton works; H. M. Jones, manager West Toronto paint plant; H. W. Barrett, assistant Quebec district sales manager.

Canadian Pacific Railway (Montreal)—Wallace G. Harvey, manager of Chateau Lake Louise; Donald A. Williams, manager of Banff Springs Hotel. Effective Jan. 1.

Courtaulds (Canada) Ltd. (Montreal) — P. N. Haller, export manager.

Graver Mater Conditioning Co. (Toronto)—David Hickling, assistant to the manager.

Seccombe House (Toronto) — W. Wallace Seccombe, president; Keith K. Knox, vice-president; (Miss) Margaret Howland, comptroller; John M. Hall, sales manager, Canadian Mailings; Angus Baxter, director **Show Merchandising Ltd.**; Patrick B. Lyndon, editorial director publishing activities and director **Current Publications Ltd.**

Standard Refractories Ltd. (Hamilton) — M. McQuiggan, sales manager for the Quebec and Maritime provinces.

To Make New Engine Here But It's 'Long Way Off'

Although **Curtiss-Wright Corp.**'s new rotating internal combustion engine is scheduled to be produced in Canada, this is "quite a long way off", according to Dr. P. J. Stewart, manager of the firm's Oakville operation.

"We have no details on it yet," Dr. Stewart said.

Canadian Curtiss-Wright Ltd. has plants in both Oakville and Montreal.

The new power plant represents a major advance comparable in importance to the diesel engine or the piston engine, according to Roy T. Hurley, board chairman and president of the U. S. Curtiss-Wright.

He said the new engine will have broad applications ranging from automobiles to aircraft and marine uses.

The rotating engine, Hurley said, has only two moving parts, the rotor inside the circular combustion chamber and the crankshaft inside the rotor.

An automotive carburetor supplies a mixture of gasoline and air into the engine chamber through a side wall port.

As the rotor turns, the mixture is compressed and fired by a single spark plug, delivering the power to the crankshaft.

The rotating engine is economical, compact and lightweight, requiring no valves, springs, camshafts, pistons and connecting rods, Hurley said.

Curtiss-Wright has exclusive rights to the engine under patents granted and pending for aircraft uses throughout the world, and exclusive rights for all other purposes in the U. S., Canada and Mexico, with the right to export engines in various types of equipment built in the U. S. or Canada.

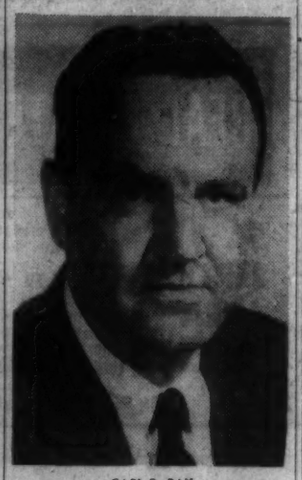
N S U Werke of West Germany has the non-exclusive right to ship the rotating engine to North America when it is installed in N S U's own autos, motorcycles and scooters.

MOTOR-HOTEL

A $2.9 million motor-hotel containing 177 rooms will be built by **Perini Ltd.** for owner **L. Mayzel** of Toronto at Rideau and Charlotte St., Ottawa. The T-shaped hotel will be known as the **Diplomat Motor Hotel** and will have six stories, possibly seven. There will be underground parking for about 150 cars. Architect is **John L. McFarland** of Toronto. Hotel will have penthouse-style apartments, air conditioning and inside swimming pool.

ANNOUNCEMENT

ROYAL TYPEWRITER APPOINTMENT



CARL P. RAY

Carl P. Ray, Vice President — Sales, of Royal McBee Corporation, has been named to the Board of Directors of Royal Typewriter Co. Ltd. of Montreal, a wholly-owned manufacturing and marketing subsidiary of Royal McBee.

Mr. Ray, who joined Royal McBee in January of this year, was formerly Vice President in Charge of the International Division of Underwood Corporation. He was associated with Underwood for many years, serving in a succession of sales and management responsibilities.

ANNOUNCEMENT

HEWITT EQUIPMENT LIMITED APPOINTMENT

ALFRED BLOUIN

In keeping with the firm's present and future expansion plans, Mr. Fabien Baribeau, Manager in Quebec City, is pleased to announce the following appointment.

Mr. ALFRED BLOUIN, P.E., has been appointed Regional Sales Manager for Eastern Quebec. Mr. Blouin, who has been with Hewitt Equipment for many years in the Sales Department, is very well known in Pulp & Paper, Logging, Mining and Construction Industries and brings a great deal of experience to his new position. He will direct the activities of his region from Quebec City.

OPPORTUNITIES

our client, a respected executive with sales, finan. & admin. background wishes to BUY mfg/distributing firm gross sales over ¼ million.

please write:

WA 4-8131
yorkville towers, toronto
a. g. heighington associates

TAX LOSSES

Serious investor seeking company with substantial tax losses.

Producers and distributors of textiles preferred but serious consideration will be given to companies in other fields.

Send full details in confidence to

Box 950, The Financial Post, Toronto

RESTAURANT FOR SALE

in the heart of downtown
WINNIPEG
$65,000.00

Principals wish to retire. No agents please!

Apply Box 957, The Financial Post, Toronto

BUSINESS OPPORTUNITY

Casket manufacturing business for sale, merger or lease. Good customer acceptance. Modern fireproof plant. Tax loss situation. Interesting deal possible for right party. Apply in confidence to:

W. H. BRADLEY, Q.C.
455 Craig Street West, Montreal

How can you see ahead?

Do what many thousands of successful executives do every week — read The Financial Post. See where business is heading; get information that will help your success in business and in your personal life. Yearly by mail in Canada: $8; elsewhere $9 yearly.

WANTED ★ PAPER ★

Surplus, Overruns, Seconds, Inventory Clearances, Discontinued Packaging Materials.

Kraft, Newsprint, Tissue, Waxed, Glassine, Cello Poly, Boardstock, Foil, Corrugated, etc.

Trans-Canada Surplus Sales

148 Jarvis St., Toronto, EM. 8-8191.
3637 Cark St., Montreal, UN. 6-5581.

FOR SALE — JEWELLERY
Wholesale and Manufacturing

Long established, products nationally accepted, specializing in Gold, Diamond Rings and Watches. Top flight Management and personnel with finest trade catalogue to support substantial mail order business. 24,000 square feet located in centre of Hamilton, Ontario. Will sell business and building or will sell business and lease building.

Present volume exceeds two million dollars from established retail jewellers all over Canada. For appointment

Telephone (JAckson 2-1387)
or wire General Manager,
25 Main Street West, Hamilton, Ontario, Canada

ONTARIO AGENCIES WANTED

Ontario sales organization, covering wholesale toy, hardware, drug, tobacco and smallwares trade as well as chain and department stores, open for two more good lines. Excellent connections and long experience in this field. Toronto showroom and four fulltime salesmen. Commission Basis.

Reply Box 952, The Financial Post, Toronto.

IMPORTERS OF FINE FOODS

FROM GT. BRITAIN AND CONTINENTAL EUROPE

require the services of an experienced representative already calling on the retail and wholesale food trade. Allied but noncompetitive lines not objected to. This is a unique opportunity as an interest in a rapidly expanding organization will be made available to the right man who should have executive capacity as well as being a first class salesman. Write, in first place, to Box 945, The Financial Post, Toronto, giving full details and stating area covered.

DO YOU HAVE A DISTRIBUTION PROBLEM?

If national distribution of a good product is your problem . . . if sales of that product would benefit through association with one of Canada's most successful, nationally-advertised brands, we would like to talk to you.

We are one of Canada's best-known brand manufacturers, with national distribution through a coast-to-coast sales organization that is second-to-none in the country.

We have progressed to the stage where we are interested in expanding our operations.

Amongst our assets, we can list finest contacts with more than 3000 Canadian department, women's specialty, and chain store outlets, plus the advantages of wide experience in sound sales promotion methods.

CONTACT US NOW AT
BOX 944, THE FINANCIAL POST, TORONTO

INDUSTRIAL RUBBER DISTRIBUTORS WANTED

Rare opportunity to become associated with Commonwealth's largest producer of industrial rubber products, now organizing coast to coast distribution. Extensive range, high quality — Conveyor belting, Vee belts, Hose, Hydraulic Control Hose, Moulded Rubber, etc. Previous experience desirable, territories fully protected. Write in confidence.

BTR INDUSTRIES CANADA LTD.
128 Judge Road, Toronto 18

DISTRIBUTORS WANTED

A rare opportunity for exclusive distribution of a new essential household device, with a market that knows no bounds.

Manufactured by one of Canada's best known corporations and distributed Canada-wide. We will aid you in developing and maintaining your franchise. You must be reputable, financially secure and capable of organizing, supervising and guiding a sales staff to produce a large retail volume of business.

If you are interested in an honest and genuine proposition write Box 960, The Financial Post, Toronto.

IMPORTANT PATENT — SALE OR LEASE

A U. S. corporation has just been granted an exceptionally strong Canadian patent on a highly saleable, low-priced kitchen device that stands alone in its field and is being successfully marketed in the U. S. Not wishing to enter the Canadian market, we will sell this patent on a very reasonable basis. Or we will lease it. The product can be produced at $1.44 per dozen and wholesales to chains and jobbers at an average of $3.54 per dozen.

Reply to:
TEMPEST INTERNATIONAL CORP., PAN AMERICAN BLDG., MIAMI, FLORIDA

GOLD PROPERTIES WANTED

We wish to acquire by purchase or option undeveloped and/or partly developed gold properties and gold bearing claim groups. To facilitate quick decision please give full information and include all available informative material and maps with first letter.

NORTH MATTAGAMI MINES LTD.
1610 Sherbrooke St. West,
Suite 56, Montreal

FOR SALE

Exclusive franchise for Canada and United States for new product.

Box 967, The Financial Post, Toronto

CLASSIFIED ADVERTISEMENTS

CLASSIFIED ADVERTISING RATES

Flat rate, per word 20c
Minimum charge $3.00

Each initial, figure or fraction, abbreviation and sign counts as one word. If a box number is desired the words Box 000, The Financial Post, Toronto, count as six words. When replies are mailed to advertiser, 15 cents extra is charged. Closing date—Copy must be in Toronto office by Monday a.m. Classified advertising is strictly cash in advance.

Positions Wanted

ELECTRICAL ENGINEER, age 34, experienced in manufacturing, plant engineering, instrumentation application, administration. Wishes to relocate from Quebec westward. Résumé upon request. Box 888, The Financial Post, Toronto.

Business Opportunities

WE GUARANTEE to collect for ten per cent, anywhere! Licensed, bonded, proven. Fifteen hundred references. Write Dixon, Commercial Investigators Ltd., 3 James, St. Catharines, Ontario.

DEALERS for Fiber Glass Swimming Pools. Full or part time. Investment required. Partial financing. Box 903, The Financial Post, Toronto.

Getting Ahead

Astute businessmen plan for success; they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada $8; elsewhere $9 yearly.

DISPLAY ADVERTISING *RATES*

$9.80 per column inch (one column wide x one inch deep) or 70 cents per agate line (14 agate lines = one column inch). Copy must be in Toronto Office Monday a.m. **Display advertising in this section is payable in advance.**

FOR SALE

"BUSINESS AND ASSETS OF WELL ESTABLISHED CANADIAN COMPANY ENGAGED IN STEEL FABRICATION"

LOCATION —

Small but highly industrialized and progressive Western Ontario city.

FACILITIES —

Approximately 100,000 square feet of manufacturing space, excellent material handling facilities and a great variety of metal fabricating equipment.

This plant suitable for structural, tank or pressure vessel fabrication and to provide maintenance facilities for the many large industries in the immediate area.

Included among the assets is a substantial inventory of plate and structural steel and supplies.

Principals only please, apply to:

CLARKSON, GORDON & CO.,
Chartered Accountants,
33 Wellington Street West, Toronto, Canada.

Most Profitable Real Estate Investment Available

Properties leased to highest rated tenants yielding net profits exceeding eight per cent, annually after all costs, including payments retiring the mortgage. For sound real estate investments contact

Exclusive Listings

M. H. LIPTON REAL ESTATE

12 Shuter Street EM. 4-3161

Members of Toronto Real Estate Board

DISPLAY ADVERTISING RATES

$9.80 per column inch (one column wide x one inch deep) or 70 cents per agate line (14 agate lines = one column inch).

Copy must be in Toronto Office Monday a.m.

Display advertising in this section is payable in advance.

FOR RENT—BAY BLOOR AREA
LEASE NOT REQUIRED

A 1250 sq. ft. self-contained, single story bright, modern building; and a 4,000 sq. ft. adjoining parking lot. Reasonable.

RU. 9-1236

KAMLOOPS, B.C.

I own choice industrial site 130' x 150' on trackage and main street in this fast grow-distributing city. Will build to suit tenant on long term lease. W. B. Gilmer, 906 Dominion Street, Kamloops, B.C.

FOR RENT
20,000 SQUARE FEET WAREHOUSE
2 - 6,000 SQUARE FEET OFFICE
REXDALE AREA

- heated
- 18' ceiling (clear)
- inside loading
- railway siding
- fully sprinklered
- close to highways 27, 400, 401, Q.E.

CALL MR. CORBETT
CH 6-6171
or write
35 Vulcan Street, Rexdale

FOR LEASE
LONDON, ONTARIO
Large Ground Floor Location

One half block from and on the same street as new EATON SQUARE

Suitable For Merchandising or Branch Office

Total Area 6,600 ft. — plus full basement, dry, clean.

Newly decorated, fluorescent lighting (all new), fully sprinklered, elevator, plus side entrance, Cities heating.

Consists of—large front and rear merchandising or office area, plus 3 offices (1 executive) and large built-in vault. Large heated shipping rec. or storage area, built-in electric sign and display window wiring. City Gas services if required.

Two similar areas above, soon to be available.

Apply Manager
Box 5015
BENSON-WILCOX LTD.
195 KING ST.
LONDON, ONT.

FOR RENT
NEW ATTRACTIVE BRICK BUILDING SCARBOROUGH —GOLDEN MILE
5,000 or 10,000 sq. ft.

- Excellent factory or warehouse facilities
- Ready in January
- Office will be finished to suit
- 14 ft. clearance — no posts
- Fire proof construction
- Heavy floor load
- Truck level loading
- Convenient corner location
- Many extras for comfort

WAREHOUSING SERVICES & DISTRIBUTORS LIMITED
110 Sinnett Rd., Scarborough, Ont.
PL. 5-5231

LETHBRIDGE ALBERTA

The Key Distribution Centre for the rapidly expanding markets of Southern Alberta, Southern Saskatchewan & British Columbia

New Industrial Park with desirable sites with all services

Descriptive literature & maps available from

INDUSTRIAL COMMISSIONER
CITY HALL — LETHBRIDGE — ALBERTA

● THE BUSINESS CLIMATE

As a steady reading diet, The Financial Post is a nourishing source of accurate information. It brings you informed comment on today's market and business climate, helps you to work more efficiently, to plan wisely, to profit.

Yearly by mail in Canada $8; elsewhere $9 yearly

REAL ESTATE

A Dominion-wide market place for buyers and sellers of land, residences and commercial buildings

THE ONTARIO SEAWAY VALLEY INDUSTRIAL ASSOCIATION
recently formed:

Welcomes all enquiries for industrial sites with adjacent residential, commercial and recreational areas available in the five municipalities consisting of the Village of Iroquois, Village of Morrisburg, and the Townships of Matilda, Williamsburg, Osnabruck and Cornwall in the Counties of Dundas and Stormont on the north shore of the St. Lawrence Seaway in the Province of Ontario.

An area to consider . . . road, rail and water transportation to the four corners . . . only an hour from major centres . . . offering abundant, low-cost power . . . zoned for unlimited industrial expansion . . . proud of its high-calibre, dependable workers . . . recognized for its friendliness and co-operation . . . ready to welcome potential employers and employees to enjoy one of Canada's most beautiful playgrounds and pleasant living conditions.

Send your enquiries to the Ontario Seaway Valley Industrial Association Headquarters at Morrisburg, Ontario, for our brochure and further detailed information.

THE ONTARIO SEAWAY VALLEY INDUSTRIAL ASSOCIATION
MORRISBURG • ONTARIO

WATER FRONT ESTATE

All year residence with garages and separate quarters for help. Has about 5 arpents landscaped. Within 40 mins from Montreal. Reasonably priced and excellent terms are available. Extensive equipment is included.

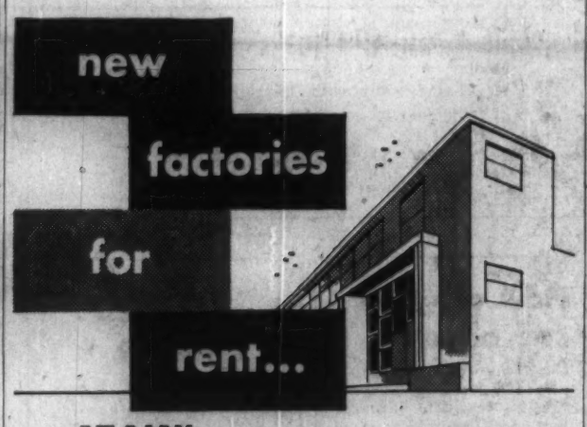
Kindly contact Nels Thompson c/o

LENNEX REALTIES CO. INC.
4920 Western Ave., Montreal HU. 9-5786 or RE. 7-4156

FOR SALE OR LEASE

7,700 sq. ft. new brick building 27 highway and Dundas, Toronto. Single floor building, close to transportation and highways. Truck level doors, good parking, office finished to requirements. Early possession can be arranged.

RENOWN CONSTRUCTION 88 RAVENSBOURNE CRES., TORONTO 18. BE. 3-5334



AT AJAX—35 minutes from downtown Toronto

- On 4-lane superhighway 401 • Paved roads—ample parking
- Building occupies less than ⅓ of site—ample room for expansion
- Lower taxes—lower rentals • High-pressure steam, etc.

Early occupation—2000 to 50,000 sq. ft. Flexible leasing arrangements provide for your future change of plans or requirements.

For complete details, phone or write:

SLOUGH ESTATES (CANADA) LTD.
Royal Bank Building, Toronto, EM. 3-9033

COMMERCIAL and INDUSTRIAL SITES

We invite inquiries from firms interested in expanding in the West. Full Real Estate, Insurance, Property Management & Investment services available.

CAMPBELL & HALIBURTON LTD.

Winnipeg 2005 Portage Ave. | Regina 1769 Cornwall St. | Saskatoon 730 Broadway Ave.
Calgary Bowness Rd. & 14th St. N.W. | Vancouver 109 Glenmore Dr. S.S. No. 2, West Vancouver

INDUSTRIAL REALTORS
. . . In Western Canada

- We will erect any building to suit your plans, for sale or lease, in Winnipeg or Western Canada.
- Choice sites from which to choose.
- We arrange financing, selling or renting of any commercial, industrial or business property.

ARONOVITCH & LEIDSIC LIMITED
A & L BUILDING
FOUR SIXTY MAIN
Winnipeg, Man.

When locating in Western Canada, consult A & L, from planning to completion. Accurate advice with knowledge gained from experience in Winnipeg and Western Canada. Enquiries invited.

OVER 50 YEARS OF SERVICE

OPTION TO BUY
DOWNTOWN TORONTO OFFICE BUILDING
7,000 sq. ft. air conditioned, vacant, available immediately. Balance of about 20,000 sq. ft. well rented. Attractive Terms. Foreclosure.
H. W. BENDER LTD.
191 Dupont St., Toronto, WA. 5-3191

INVESTMENT AND LEASEBACK FUNDS AVAILABLE
for the
PURCHASE OF REAL ESTATE
Another service through
LYONS
EM. 3-6191
Industrial Realtors Since 1926

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

HELP WANTED

J. K. THOMAS LTD.

PLANT MANAGER
to $12,000

Our client, a prominent manufacturer in the packaged goods field, requires a plant manager for a major location. The company is the leader in its field in Canada.

The plant manager will be responsible for all phases of the manufacturing operation—a highly automated processing and packaging plant with excellent supporting staff services.

The executive required should have professional training in chemistry, chemical engineering or food technology, with considerable experience in high speed packaging essential and experience in the food field an advantage. Age 30 to 45. Starting salary to $12,000. Refer to file FPJ-1195.

Mail resumes in confidence. Positions not discussed by phone. Fees paid by our employer-client.

J.K.Thomas LTD.
CONSULTANTS TO MANAGEMENT
industrial psychology executive placement ✳ *1251 Yonge St. Toronto 7, Ont.*

NATIONAL TRADE ASSOCIATION
invites applications for the position of
UNDERSTUDY-ASSISTANT TO THE GENERAL MANAGER

A challenging post with great opportunity for the right man, between 30 and 50.
General qualifications—good general education—ability to write good business English—initiative and thoroughness—able to work with top management—knowledge of Canada Customs, and/or Association work of benefit.
Starting salary, $5 - $6.000.00 yearly. The future limited only by your ability.
Write Only in full confidence, to **CANADIAN IMPORTERS & TRADERS ASSOCIATION INC., 134 King Street East, Toronto 1.**

TRAFFIC POSITION

Opening in National Association for capable man who has had broad experience with industrial traffic department or transportation companies and is familiar with rate structure of different forms of transportation and interpreting tariffs, etc. Applicant should be 30 to 40, with qualifications and capacity to progressively assume wider responsibilities. **Box 959, The Financial Post, Toronto,** giving particulars of education, experience and salary required.

Here are clues to profit

A businessman's judgment is no better than his information. You can profit from Canada's bustling growth—as other businessmen do — through The Financial Post. Here is Canada's most comprehensive business news service. Every week, The Post helps you gauge the swing of business and investments. It helps you plan with confidence, make sound decisions. In brief, it helps you make more money because it helps you anticipate trends and developments across the nation. Yearly by mail in Canada $8; elsewhere $9 yearly.

REAL ESTATE

A Dominion-wide market place for buyers and sellers of land, residences and commercial buildings

ST. JEROME AREA

Have an exceptionally fine parcel of land of 104 arpents situated about 1½ miles before St. Jérôme, with frontage of 2260' on both sides of Highway No. 11, frontage of 3500' on Chemin de la Côte Marguerite, and frontage of 675' on Côte Guenette alongside the Autoroute. Suitable for Shopping Centre, Gas Stations, Hotels, Motels, or any Industrial plants, taxes in St. Jérôme extremely favorable, this area is developing very rapidly. Will sell parts.

Box 966, The Financial Post, Toronto

EDMONTON — ALBERTA

1. 156 ACRES INDUSTRIAL LAND

Level on (CNR) trackage. Power, gas and water. Located on edge of city limits. 4½ miles from city centre.

For further information contact
J. L. CHECK

2. WAREHOUSE SPACE

27,000 square feet of warehouse space on trackage. Central location in Edmonton. Reinforced concrete and steel building. Travelling crane. Selling considerably below replacement cost.

For further information contact
JIM SONEFF

3. SPORTING GOODS STORE

One of Edmonton's oldest and most outstanding sporting goods business establishments. One half block from Jasper Avenue on 101st Street. Approximately $100,000 turnover. Owner forced to sell due to ill health. $25,000 to handle. Balance on good terms.

For further information contact
J. BAILEY or E. DONALD

WRITE . . . WIRE . . . PHONE COMMERCIAL DEPARTMENT

SINCE Weber Bros. AGENCIES LIMITED 1911
REALTORS

10013 - 101A Ave., Edmonton, Alberta • Phone GArden 4-7341

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

EMPLOYMENT WANTED

WANTED: CANADIAN COMPANIES

- To employ fifteen Canadians due to graduate in May 1960 with Masters in Business Administration from Harvard Business School.
- Ages range from 23 to 29, full time experience averages three years, up to nine. Undergraduate degrees include Civil, Chemical, Electronics, Mechanical, Metallurgical Engineering; Geology, Commerce, Liberal arts, and C.A.
- Interests lie in fields of Banking, Control, Consulting, Finance, Sales, Mining and Production; wide geographical interests.
- Write for further details and resumes; interviews possible in January.

Box 972, The Financial Post, Toronto

DISPLAY ADVERTISING RATES

$9.80 per col. inch per insertion (70 cents per agate line, 14 lines constitute one inch). Closing date — Copy must be in Toronto Office by Monday a.m. Display advertising in this section payable in advance

SENIOR MARKETING EXECUTIVE

Broad experience in all phases of marketing consumer products, including sales management, sales promotion and merchandising. Proven record of accomplishment. University education. Age 44, married, active. Presently employed in Montreal, but seeking growth opportunity, willing to relocate.

Box 961, The Financial Post, Toronto.

Administration

Young man with strong experience as assistant to top management seeks opening in medium sized corporation anywhere in Canada. Growth potential important. Academic record includes B.Comm. and M.B.A. degrees. Available January 1st.

Box 953, The Financial Post, Toronto.

CONSTRUCTION MANAGER

14 years varied experience in all phases of building and civil construction seeks challenging position. Presently employed. Highest references. Age—mid-thirties.

Box 951, The Financial Post, Toronto.

***Asst. Manager* ADVERTISING**

6½ yrs. proven successful experience, advertising, sales, administration. Top brand consumer products — 7 figure ad budget. Age 36, presently employed. Seeks opportunity with potential!

Box 954, The Financial Post, Toronto.

MANUFACTURER'S AGENT
COVERING ALBERTA AND BRITISH COLUMBIA

Calling on architects, consulting engineers, building contractors and supply houses, is able to handle additional lines.

Box 970
The Financial Post, Toronto

TRAFFIC MANAGEMENT

Young—25, well educated, married man seeks new position. Thoroughly experienced in the field of Traffic Management with supplementary customs experience. University education in U.K. Reply in confidence to

Box 968, The Financial Post, Toronto

ADMINISTRATOR

Extensive experience: accounting, finance, corporation secretarial procedures. Hold posts at high levels in these fields. University graduate, B.Comm. degree. Married, age 51. Personal interviews, Ontario location only. Would consider change.

BOX 964, THE FINANCIAL POST, TORONTO

SALES AND/OR GENERAL MANAGER

Experienced, sales-minded, vigorous alert executive, mid-forties. Seeks more challenging position. Presently employed in food industry. Willing to relocate. All replies strictly confidential.

Box 965, The Financial Post, Toronto

EXPERIENCED PURCHASING AGENT

12 years experience in administering purchasing department, also several years in sales, merchandising and advertising.

Box 971, The Financial Post, Toronto

VICE PRESIDENT or GENERAL MANAGER

Proven accomplishment in engineering, research, manufacturing, sales, finance, labour relations. Success in industrial expansion, contracts, cost reduction. Presently employed at this level with heavy responsibility. Mid-forties. Seeks relocation for sound reason. Substantial remuneration is required. Apply in confidence for photograph resumé and highest references.

Box 945, The Financial Post, Toronto

GENERAL MANAGER

Presently employed by large international company. Twenty-Two years experience in general administration, office and plant supervision, including budgeting, accounting, sales, advertising and sales promotion, and general operation. Now asked to accept transfer abroad but prefers to seek change in order to stay in Canada.
With wide experience in several commercial and manufacturing fields both here and abroad, able to fit into various executive positions and well qualified to assume complete direction and control of company operations. Age forty-three, excellent references. Available immediately, but in a position to wait for suitable opening.

BOX 958, THE FINANCIAL POST, TORONTO

REAL ESTATE directory

Quebec

WESTMOUNT REALTIES COMPANY IN MONTREAL
Established 1910
A COMPLETE SERVICE IN COMMERCIAL AND INDUSTRIAL REAL ESTATE
1367 Greene Ave • MONTREAL • WE. 5-6541

Ontario

SITE SELECTION
ARCHITECTURAL DESIGN
ENGINEERING
CONSTRUCTION
LEASE OR SALE

AN AFFILIATE OF WEBB & KNAPP (CANADA) LTD.
INDUSTRIAL LEASEHOLDS (1957) LTD.
12 Sheppard Street, Toronto, Ontario.
Constructing from Coast to Coast in Canada.

Psychological and Aptitude testing for Executives, Salesmen, and Employees. Motivational Research and Market Analysis.
PSYCHOLOGICAL COUNSELLING AND MOTIVATIONAL RESEARCH SERVICE
Suite 228, 398 Avenue Rd., Toronto 5, Ont.

DISPLAY ADVERTISING RATES
$9.80 per column inch (one column wide x one inch deep) or 70 cents per agate line (14 agate lines = one column inch) Copy must be in Toronto Office Monday a.m. Display advertising in this section is payable in advance.

EPC EXECUTIVE PLACEMENT CENTRE for *Executives at all levels*
Suite 304, 97 Eglinton E. Toronto 12. HU. 1-6301

CAREERS
This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

HELP WANTED

CONTROLLER
Substantial Salary to be Discussed

The Job . . .
A very challenging Controllership opportunity with a major Canadian Multiple plant manufacturing and selling organization. Reports directly to the President and will be responsible for all accounting, systems, capital expenditure satisfaction and cost reduction work. The opportunity for further growth is good. Montreal location.

The Man . . .
32 to 40 years of age with an outstanding technical background, including a C.A. or degree in Business Administration. Preferably is familiar with plant operations, unit control cost-systems, forecasting, and with I.D.P. Must be a personable, sceptical, inquiring, intelligent and tough-minded man, one who could be a member of the executive committee.

Please reply in complete confidence to
PAYNE-ROSS LIMITED
management consultants
350 SHERBROOKE ST. W., MONTREAL

METHODS ANALYST
REQUIRED BY MAJOR OIL COMPANY
We are looking for an analyst age 25-45 for work in Toronto with at least two years practical experience in the systems field. A knowledge of data processing equipment and forms design is required.
Must be conversant with work simplification, measurement and sampling techniques as they apply to office procedures. Full range of company benefits.
Reply in confidence giving complete details of training, business experience and salary expected.
Box 949, The Financial Post, Toronto

EXECUTIVE VICE PRESIDENT AND GENERAL MANAGER
Our client requires a man capable of providing general management leadership to the entire Canadian operation of its business. This is a large multiplant operation doing in excess of $50,000,000 business a year. A proven background of experience in General Management is essential; an engineering or financial education is desirable. The experience must be related to metal fabrication. The salary is approximately $30,000 per annum.

Enquires are invited in confidence to —
Mr. J. F. Hickling, M.A.
or
Mr. H. B. Lett, P. Eng.
HICKLING-MACLEAN LIMITED
120 Bloor Street West, Toronto 5, Ontario
Consultants to management in the search and selection of executives and senior sales staff.

display advertising rates
$9.80 per column inch (one column wide x one inch deep) or 70 cents per agate line (14 agate lines = one column inch) Copy must be in Toronto Office Monday a.m. Display advertising in this section is payable in advance.

ONTARIO PSYCHOLOGICAL CENTRE (OPC)
for aptitude and executive assessment career planning.
97 Eglinton Ave. E., Tor., HU. 1-4343

Getting Ahead
Astute businessmen plan for success: they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada $8; elsewhere $9 yearly.

CONSTRUCTION ENGINEER — HOUSING
— a new executive position with a growing subsidiary of a large international company.
We are looking for a man, 35 or under, with a degree in engineering or equivalent qualification, who has had considerable supervisory experience in construction, preferably housing.
The successful applicant will be responsible for volume housebuilding, eventually in more than one location at a time. He will be able to build economically to predetermined standards, know how to handle men, and be able to fit into a developing team of young executives.
Confidential resume should be sent to the Vice-President,
RICHARD COSTAIN (CANADA) LTD.
STREETSVILLE, ONT.

CHARTERED ACCOUNTANT
Chartered Accountant age 27 or under required by International Company engaged in Aircraft Industry. The position offers an interesting future and a challenging opportunity for advancement in a Company with its Head Office in Montreal and with operating plants across Canada. Salary open for discussion, pension plan and liberal fringe benefits available. Apply in writing stating qualifications, experience, etc., to
Box 947, The Financial Post, Toronto

SALES REPRESENTATIVES
Required for the Toronto Area and Ottawa-Hull Area, by an expanding Montreal firm in the corrugated container line.
Applicant must have several years' experience in this line, be aggressive, a self-starter and have a proven sales record.
Attractive salary plus commission, company car, and expense account. Liberal group and hospital insurance benefits.
Please address replies to:
Personnel Department,
P.O. Box 569,
Montreal, Quebec.

PROFESSIONAL ENGINEER
Vancouver Manufacturing Company requires a Professional Engineer with wide experience of all types of reinforced concrete design, to take up position as technical sales representative. This is an interesting and permanent position for an engineer wishing to make a career in industry.
Reply giving full details as to age and education to
BOX 946, THE FINANCIAL POST, TORONTO

EXECUTIVE OPPORTUNITY
The world-wide Courtaulds group are seeking a high calibre young Canadian to join a small team which is being set up to further the group's diversification plans in North America. Required qualifications are training and experience in the fields of manufacturing economics and financial analysis, and in market analysis.
High graduate qualifications are essential in accounting, economics or technical subjects. Actual experience in the chemical or related industries would be an additional asset.
Reply in writing to:
PERSONNEL MANAGER
COURTAULDS (CANADA) LIMITED
CORNWALL, ONTARIO

EPS
CONSULTING OPPORTUNITY
A leading consulting organization specializing in the employee benefit field has a most interesting opportunity for a young personable individual. This is a career position with an attractive future for growth to a senior role in the company. Candidates preferably will be in the 25 to 35 year bracket and it would be desirable if he had a legal, accounting or insurance background.
Salary: open to discussion.
Fringe benefits: extremely liberal including bonus potential.
Applications held in confidence
Executive Placement Services
a Division of
LEETHAM, SIMPSON LIMITED
Management Consultants 550 Sherbrooke St. W., Montreal

NATIONAL ENERGY BOARD
OTTAWA, ONTARIO
REQUIRES
- **ASSISTANT TO THE FINANCIAL ADVISER—$9,060-$10,140**
  To assist the Financial Adviser on accounting matters and to supervise the examination of accounts of companies within the Board's jurisdiction. (Competition No. 59-856)
- **ASSISTANT SECRETARY (ADMINISTRATION) — $8,340-$9,420**
  To assist with administrative functions including personnel, space, equipment, supplies, estimates and accounts. (Competition No. 59-857)

FOR DETAILED INFORMATION AND APPLICATION FORMS WRITE IMMEDIATELY TO CIVIL SERVICE COMMISSION, OTTAWA, ONTARIO, QUOTING THE APPROPRIATE COMPETITION NO. INDICATED ABOVE.

OFFICE MANAGER
Young man with 2-3 years' industrial experience required as office manager with rapidly expanding East Toronto company. Must have reasonable experience in office methods, personnel management and credit and collections. Degree not required but energy and initiative essential.
Apply in writing with full particulars of age, experience and qualifications.
Box 973, The Financial Post, Toronto

ASSISTANT CREDIT MANAGER
Required by large independent oil company
Applicant must have experience in all phases of credit and collection work in both retail and wholesale operations. This is an excellent opportunity for a man with ability and qualifications.
Replies will be treated in confidence.
Box 974, The Financial Post, Toronto

PERSONNEL DEPARTMENT
Progressive company in Metropolitan Toronto with approximately 400-man personnel has opening for an assistant to the Personnel Manager. Applicant should be fully conversant with labour legislation and employee benefit plans.
Necessary to have several years' experience in personnel department of similar-size company.
Applications indicating background, including recent photo, should be mailed to
BOX 962, THE FINANCIAL POST, TORONTO

BUSINESS MANAGEMENT REPRESENTATIVE
A European Car Importer requires a person to fill the above position. The successful applicant must be willing to travel continuously.
Candidates should state their age, experience and salary requirements and should enclose a recent photograph.
Travel allowance and excellent fringe benefits offered.
BOX 963, THE FINANCIAL POST, TORONTO

SENIOR COMMUNICATIONS SWITCHING ENGINEER
Starting Salary Open

The Job . . .
An excellent management opportunity with a rapidly expanding sales and service organization in the communications equipment field. Duties will include supervision of staff, sales, maintenance and servicing of equipment. Reports to Sales Manager. Position and salary growth potential good. Eastern Canada location.

The Man . . .
Probably about 40 years old, an engineer with specialized practical knowledge in operation of telegraph systems, especially design and application of switching systems. Knowledge of analog and digital computer systems also of value. Must have good executive and public relations ability.

Please reply in complete confidence to
PAYNE-ROSS LIMITED
management consultants
350 SHERBROOKE ST. W., MONTREAL

SALES REPRESENTATIVE FOR OTTAWA DISTRICT
Good Salary—Incentive Bonus—Travelling expenses—Company car—Pension Plan—Medical Insurance.
We need a higher class of Sales Representative capable of taking complete charge of his territory.
Must be perfectly bilingual—Knowledge of construction industry and concrete an asset but not a necessity.
Please do not telephone as only applications in writing giving full information and references will be considered.
All applications will be treated in strict confidence.
ST. LAWRENCE CEMENT CO.
Attention: Sales Manager
Suite 106, 4920 Western Avenue, Montreal 6, Que.

MANAGEMENT OPPORTUNITY
A rapidly expanding pharmaceutical manufacturer, with office and plant facilities in Montreal, offers an opportunity for well-educated, ambitious and keen young man, age 21-28, to learn all phases of pharmaceutical marketing.
Initial training will include varied assignments in Montreal, as well as in the parent company's head office in Philadelphia. Field sales experience will also be scheduled during this phase.
Future opportunities will lie in either sales management or marketing administration.
No previous technical experience required, but candidates should have a university degree in either academic or technical subjects.
Letters of application should include resumé and recent photograph, and be addressed to:
Director of Marketing,
Smith Kline & French,
300 Laurentian Blvd.,
Montreal 9, Quebec.

How can you see ahead?
Do what many thousands of successful executives do every week — read The Financial Post. See where business is heading; get information that will help your success in business and in your personal life. Yearly by mail in Canada: $8; elsewhere $9 yearly.

A major contender for the **TORONTO COMMERCIAL TELEVISION STATION** invites enquiries from men interested in the position of
DIRECTOR OF SALES
Please state experience.
Answers in strictest confidence.
BOX 956, THE FINANCIAL POST, TORONTO

CANADA'S LONGEST ESTABLISHED ALL-CANADIAN SALES FINANCE CORPORATION
Has openings for young career-minded men leading to:
FUTURE MANAGEMENT AND SALES POSITIONS
following an extensive development program.
Excellent working conditions, full employee benefits. Company car supplied while on field duties.
Write to: Box 927, The Financial Post, Toronto
giving full personal history. Enclose recent snapshot and state height and weight.

An interesting opening
SALES MANAGER
A small growing National Company seeks a man qualified to develop and guide a Sales Staff. Selling experience and administrative skills essential. This is an excellent opportunity for the right man interested in steady growth with a reputable organization. Our Sales Staff knows of this advertisement. Please write, stating qualifications, to
Box 923, The Financial Post, Toronto

An exceptionally interesting senior opening in
ADVERTISING MANAGEMENT
This is a particularly interesting opening with a company whose manufacturing and marketing operations are continent wide.
The responsibilities will comprise the development and implementation of major advertising campaigns throughout North America and requiring the use of all media.
This is a key appointment calling for a high degree of original thinking capacity, and a broad and successful advertising background including a number of years experience with a manufacturing company. Knowledge of the industrial products field would be desirable, together with a University Degree. This opening should be of interest to a decidedly successful advertising man who is now reaching for still greater responsibility and higher earnings.
Location: Toronto.
Enquiries invited in confidence
JOHN HOLT STETHEM AND COMPANY LTD.
Executive Personnel Consultants
1454 Mountain Street, Montreal—AV. 8-5274

CONTROLLER
Starting Salary — $20,000

The Job . . .
An outstanding opportunity with a rapidly expanding firm in the management and development of commercial property operating in Western Canada. Will take complete charge of all financial affairs, including accounting, financial control, financing. Will be a member of Senior Management committees. Vancouver location.

The Man . . .
35 to 45 years of age, preferably with a C.A. degree and with proven competence in his field. His previous experience should include mortgage financing or market financing. He must be a mature individual, able to work as a team member and to inspire confidence.

Please reply in complete confidence to
PAYNE-ROSS LIMITED
management consultants
350 SHERBROOKE ST. W., MONTREAL

PERSONNEL DIRECTOR
(Initial salary up to $6500)
An aggressive and rapidly expanding commercial organization with head office in Vancouver requires a Personnel Director. Duties will include staff recruitment, test administration, evaluation interviewing, the development and administration of a performance rating program, and assisting department heads in staff training.
Preferred age range 25 to 35. Candidates should have an honors degree in Psychology (M.A. preferred) or a degree in Commerce or Business Administration. Consideration will also be given to applicants who have attained equivalent education through part-time study. At least two to three years experience in personnel administration is required.
Applications will be held in the strictest confidence. Please give full details of training, experience, and personal data.
Box 969, The Financial Post, Toronto

INDUSTRIAL PUBLICITY MAN
Leading United States industrial public relations firm opening office in Toronto to serve Canadian clients, seeks man with engineering degree or equivalent experience plus minimum three years writing experience with trade magazine or equivalent. Attractive starting salary. Excellent growth potential. Send detailed resume including salary requirements.
Burson-Marsteller Associates, Inc.
800 Second Avenue,
New York 17, New York

CHARLES EXECUTIVES
& Part-Time Personnel Ltd.
Specialists in supplying
HELP OF THE HIGHEST CALIBRE
to the
Advertising — Marketing Sales Fields
HU. 7-1576
181 EGLINTON EAST TORONTO 12

INTERNATIONAL CONSTRUCTION COMPANY REQUIRES

SUPERINTENDENTS, ENGINEERS, FOREMEN
Must be experienced in road building and dirt moving with heavy construction equipment. Work is in foreign countries. Reply stating qualifications and experience to Box 939, The Financial Post, Toronto.

ESTIMATORS
Qualified estimators for Harbour Construction Projects in the United States and foreign countries. Headquarters will be in New York City. Reply stating qualifications and experience to Box 940, The Financial Post, Toronto.

WATER FRONT SUPERINTENDENTS
Two water front superintendents required for Latin America. Must be experienced in marine, dredging and cofferdam work. Reply stating qualifications and experience to Box 941, The Financial Post, Toronto.

RENABIE OUTPUT

Renabie Mines turned out gold bullion worth $87,135 in the month of October. A total of 15,793 tons were milled in the period with recovery averaging $5.52 per ton.

ANNOUNCEMENT

APPOINTMENT NOTICE

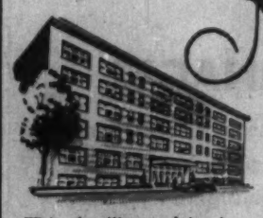
G. DOUGLAS ZIMMERMAN

The election of G. Douglas Zimmerman as executive vice-president and Director of Canadian Curtiss-Wright, Limited, of Montreal, was announced today by Roy T. Hurley Curtiss-Wright Chairman and President. Mr. Zimmerman was also named Managing Director of the Canadian operation.

In his new post, Mr. Zimmerman will direct the activities of Canadian Curtiss-Wright throughout Canada. At the present time, the company manufactures electronic equipment, industrial controls and instruments utilizing nuclear energy, and thermopac, an electric home and industrial heating unit. In addition, the company also handles the sale of other Curtiss-Wright products in Canada, in the aviation, nuclear, construction, machinery and metal products fields.

Prior to joining the Curtiss-Wright organization, Mr. Zimmerman was president and a director of Fischer and Porter (Canada) Limited, in Toronto, manufacturer of process controls and was a director of Fischer and Porter Company, of Hatboro, Pennsylvania. He is also president and a director of C. P. Clare, Canada, Limited, of Toronto, manufacturer of electronic equipment and a director of Industrial Wire and Cable, Limited, of Toronto.

Mr. Zimmerman resides in Nashville, Ontario. He will assume his new duties on December 1, 1959.



NORWOOD APTS.

- *Easy Transportation . . . Downtown and Airport*
- *Weekly or monthly terms*
- *Special rates for companies on a lease basis.*

Write for illustrated brochure.

4560 DECARIE BLVD., MONTREAL

Five Ways

you can apply the new book by three top Price Waterhouse consultants.* **BUSINESS EXPERIENCE WITH ELECTRONIC COMPUTERS** . . . Key findings from a decade of pioneering by 17 major corporations and many smaller firms . . . An up-to-date, clearly-written guide for:

1. ***Deciding*** on use of Electronic Data Processing.
2. ***Preparing*** employees and training operating staff.
3. ***Converting*** from prior practices; setting new schedules.
4. ***Servicing*** equipment; good relations with manufacturer.
5. ***Supervising*** at top level of overall responsibility.

BUSINESS EXPERIENCE WITH ELECTRONIC COMPUTERS, researched and written by Controllers Institute Research Foundation, Inc. by B. Conway, J. Gibbons, and D. E. Watts.* Directors of Management Advisory Services, Price Waterhouse & Co., N.Y., N.Y.; 191 pages; $5.00 per copy.

Order from: Department T, Controllers Institute, 2 Park Ave., New York 16, N. Y.

Name ..... Firm .....

Address .....

☐ Check enclosed ☐ Bill me ☐ Bill my firm

Orders from outside continental U. S. and Canada must be accompanied by remittance.

Will Seven, Six Split?

Conflict between Common Market and Free Trade Area countries could hurt Canadian exporters . . .

OTTAWA (Staff) — The Free Trade Area treaty initialled in Stockholm leaves many questions unanswered which will be of vital concern to Canada over the next few years (**FP**, Nov. 28).

Officials here are hopeful that the seven FTA countries may be able to come to terms with the six European Common Market states and so prevent Europe from splitting up into two rival trading blocs.

Such a development would distort trading patterns which have taken years to become established and could cause tariff and quota retaliation between the two groups.

Any kind of conflict between the two would create difficulties for Canadian exporters.

"Hopeful" is the word to describe the Ottawa view.

Officials who have kept a watching brief on the FTA negotiations since they began early this year are not optimistic about the possibility of early co-operation between the Seven and the Six.

Finance and trade ministers of the U. K., Switzerland, Portugal, Austria, Norway, Denmark and Sweden reached agreement on the general form and character of the FTA treaty.

They initialled it and issued a communique offering "friendly co-operation" to the ECM countires — Benelux, France, Germany and Italy.

The communique underscored the FTA countries' awareness of the possible storms ahead.

Spokesmen for both FTA and ECM have declared several times in recent weeks that they would seek a compromise rather than risk a trade war. But, so far, no formal negotiations are scheduled, although last week the U. K. suggested them.

The treaty is to be ratified by the parliaments of the Seven by March 31.

If it is ratified, the Seven will lower tariffs among themselves progressively, beginning with a 20% cut on July 1, 1960, and aiming at the elimination of tariff and quota barriers by 1970. This is roughly the schedule to which the Common Market is committed.

Five weeks ago Belgium proposed (and France has since urged) that the ECM speed up the proposed integration and reach complete abolition of internal tariffs by 1966 (**FP**, Aug. 24).

The FTA treaty provides that, if the ECM does telescope its integration schedule, complete abolition of duties among the Seven may be reached by 1968.

The idea is to keep the schedule for abolition of internal FTA duties as close as possible to the Common Market schedule.

If some way can be found to bridge the gap between the two blocs during the integration period, disruption would be minimized with internal duties at something approaching the same levels.

Integration schedules aside, the two plans differ radically:

- **The Seven will not try**, as the ECM is trying, to integrate transportation and farm policies and social legislation.
- **There is no aspiration** among the Seven, as there is among the Six, for larger political union (**FP**, August 15).
- **The Seven will reduce tariffs** among themselves but there is no intention, as there is with the Six, of erecting a common tariff wall against outsiders.

As the FTA countries reduce trade barriers toward one another, each is free to make the same reductions toward outsiders — i.e., as the U. K. reduces tariffs toward Sweden, it can reduce them toward Canada as well.

What are chances of reconciliation between the two blocs by formation of an all-European trade grouping?

All that can be said now is that pressures on the two groups will become acute long before the end of the integration period. If the shoe pinches enough, co-operation is possible.

There is a heavy volume of trade between the two blocs. Last year, 28% of FTA imports came from Common Market countries and 16% of Common Market imports came from FTA countries.

Tariff reduction within the two blocs will divert this trade. This is particularly true for some countries.

Denmark, for instance, had a $96 million deficit last year on merchandise account — a deficit covered by imports of capital and exports of services. Of the deficit, $88 million was with Common Market countries — Denmark's imports from them were $483 million, against exports of $395 million.

As soon as the ECM countries begin to build their common tariff wall (for many items, levels will be set at the average of tariffs of the Six as of January, 1957), this payments deficit will increase. Danish exporters will have more difficulty selling in the Common Market because of competition from other ECM countries and some exporters will face increased tariffs.

Denmark will be forced to restrict imports from the ECM countries. In some cases, there could be retaliation.

With other FTA countries in the same position, the possibility of a chain reaction which would produce heavy new restrictions on trade between the two groups of countries is great.

Some Canadian exporters would be caught in the middle. No one can now say what products would be affected but with five or six European countries anxiously watching balances of payments, there are bound to be exclusions, in the view of officials here, which would affect Canada.

Canadian trade with the two blocs is considerable.

The thorniest issue separating the FTA from the ECM countries is the so-called problem of origins.

The Common Market is a true customs union with a tariff wall against all outsiders.

Since each of the FTA countries is quite free to negotiate independently as regards external tariff policies, the origins question will arise often and the FTA treaty proposes to deal very liberally with it.

Generally speaking, when at least 50% of the sales value of a product is added within the FTA, all members will extend tariff reductions to it. This rule is qualified in various ways to make it less, rather than more, restrictive — i.e., some materials not found in Europe are to be regarded as of FTA origin.

At issue in the next few months:

Will the possibility of prohibitions against French manufactures by FTA countries — and this will happen if the two blocs develop independently — prompt France to take a different view of the origins problem?

Several kinds of compromise are possible. Before the all-Europe negotiations broke down last year, the U. K. had worked out several formulas to deal with origins.

LUMBER SALES

R. Laidlaw Lumber Co., effective Jan. 1, will distribute lumber and building materials exclusively through lumber dealers and recognized wholesale accounts in Ontario and Quebec.

We Sold FTA

Canadian Exports to Countries of Free Trade Area

	1957	1958
	$ Millions	
U. K.	737.5	773.8
Switzerland	25.0	29.4
Portugal	2.6	2.3
Austria	6.7	7.5
Norway	55.5	55.9
Denmark	3.5	5.0
Sweden	12.1	11.0
Total	842.9	886.9

FTA Sold Us

Canadian Imports from Countries of Free Trade Area

	1957	1958
	$ Millions	
U. K.	521.9	526.6
Switzerland	24.6	26.9
Portugal	2.6	2.9
Austria	4.4	4.7
Norway	3.1	3.2
Denmark	8.6	7.7
Sweden	15.5	14.1
Total	580.7	586.1

Keep an Eye On Aluminum Scrap Fight

MONTREAL (Staff) — Current fight in the U. S. over exports of aluminum scrap has some significance for Canada — a major supplier of ingot to the U. S.

The U. S. has decided against a suggestion that it limit exports of scrap. That tends to increase U. S. demand for primary aluminum, since companies normally using scrap may have to substitute with the primary metal — if scrap exports continue strong.

And this benefits suppliers of primary metal to the U. S. — including **Aluminum Co. of Canada.**

U. S. secondary smelters continue to push for a limitation of scrap exports. They say exports this year will hit 25,000 tons or more, compared with fewer than 20,000 last year.

Alcan last year shipped 195,000 tons of aluminum to the U. S.

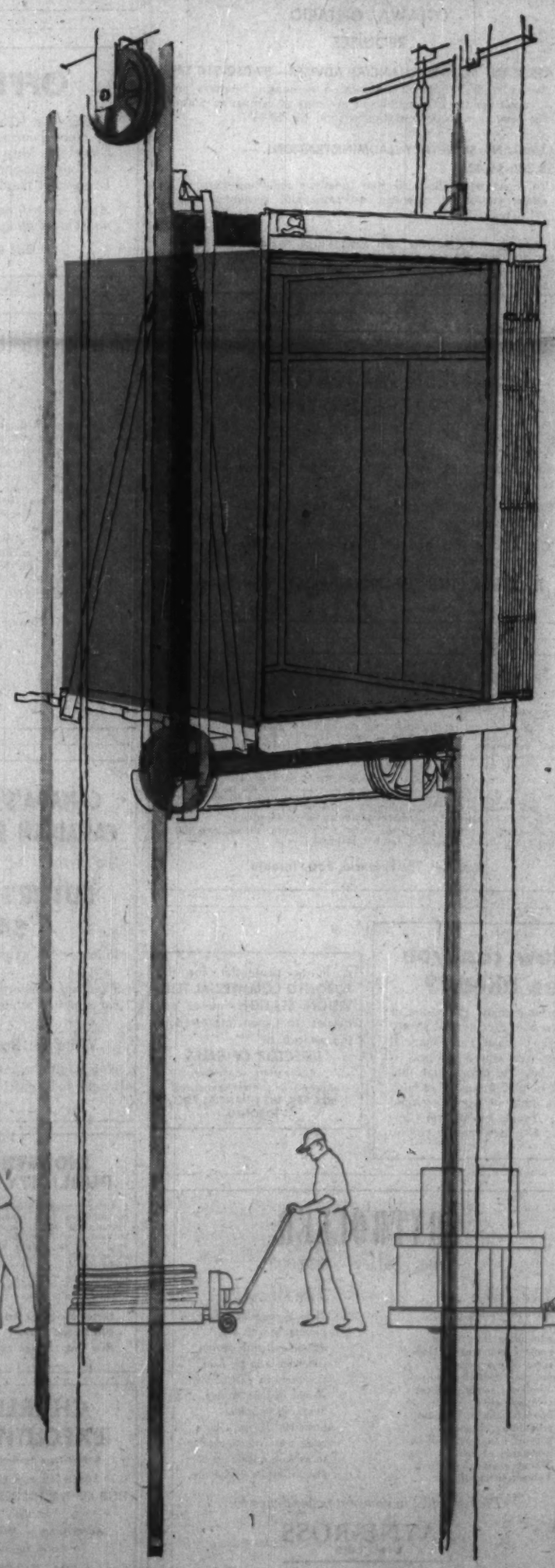
MEN WHO THINK OF TOMORROW PRACTICE MODERATION TODAY

The House of Seagram

DISTILLERS SINCE 1857

Outstanding value has made OTIS the accepted word for elevator quality in Canada and throughout the world.

Otis

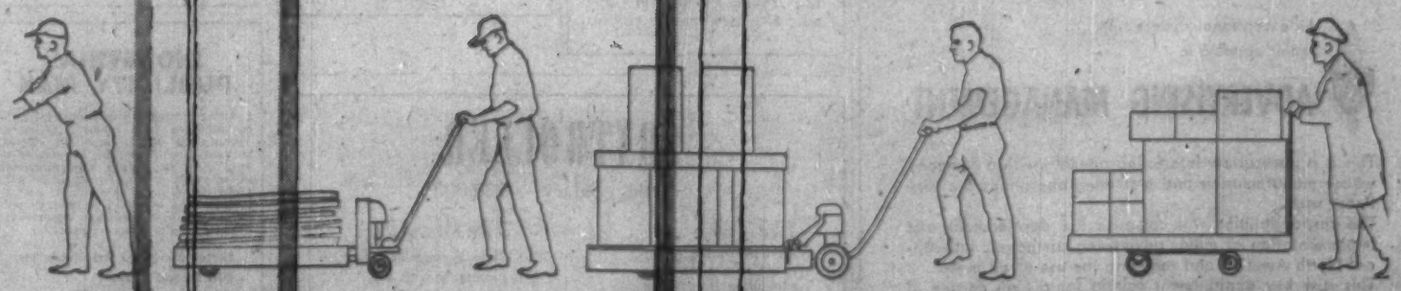


Light duty freight elevators

No elevator installation is too large or too small for OTIS: *Autotronic® or Attendant-Operated Passenger Elevators, Escalators, Trav-O-Lators, Freight Elevators, Dumbwaiters, Elevator Modernization and Maintenance, Military Electronic Systems, Gas and Electric Trucks by Baker Industrial Truck Division.*

OTIS ELEVATOR COMPANY LIMITED

Head Offices and Works, Hamilton, Ontario. Offices in 28 cities across Canada.



AUTOTRONIC® OR ATTENDANT-OPERATED PASSENGER ELEVATORS • ESCALATORS • TRAV-O-LATORS • FREIGHT ELEVATORS • DUMBWAITERS • ELEVATOR MODERNIZATION & MAINTENANCE • MILITARY ELECTRONIC SYSTEMS • GAS & ELECTRIC TRUCKS BY BAKER INDUSTRIAL TRUCK DIVISION

Baker industrial trucks

coming to
TORONTO

Stay at one of Canada's finest hotels. Enjoy all the extras that have made the King Edward Sheraton famous... things that make your trip easier like...

FAMOUS FOOD

FREE PARKING, radio and television in every room and personal service.

FRIENDLY RATES FROM
7.50 per day

For reservations call
TORONTO: EM. 8-7474
HAMILTON: JA. 7-5071
NIAGARA FALLS: EL. 4-7441
OTTAWA: CE. 6-2270
VANCOUVER: MU. 1-9321
MONTREAL: VI. 2-7777 or UN. 6-4571

THE NEW
KING EDWARD
SHERATON
HOTEL

Liquor Hot Issue For N.B. Election

From Our Own Correspondent

SAINT JOHN — If — as expected – a provincial election is held in New Brunswick in 1960, liquor control regulations will be a major issue whether or not the cause of amendment is formally favored by either major party.

There's a multi-million-dollar stake in the outcome for hotelmen and the tourist industry (FP, Nov 7).

J. C. Van Horne, MP and representative of the Chateau Restigouche Hotel, has said that a $1,000 fine for a Liquor Control Act violation will not be paid.

Van Horne said a conviction against the hotel may be appealed.

At Bathurst, some of the top local brass, plus leading figures in the alumni of St. Francis Xavier University were found by 14 raiding RCMP officers in the swank Bay Vista Club.

According to Van Horne, there are hundreds of establishments in the province, including clubs and hotels, that sell liquor with the knowledge and tacit permission of authorities.

The letter of the law in New Brunswick is strict:

Liquor can be purchased only from government stores and must be taken straight home.

In practice that's far from the story.

The pressure for amending the law which has built up over several years has crystallized around the Chateau Restigouche conviction and the Bay Vista Club raid.

New Brunswick Innkeepers' Association President John C. Ritcey of Moncton says his group is standing behind the Chateau.

The RCMP raid on the Bay Vista set off a train of consequences still rolling through the province.

The raid took place more than a month ago, only recently hit the headlines.

A member of the Legislature —W. J. Ballant—has demanded a judicial inquiry into the raid. He is certain to renew the call when the legislature sits.

A substantial number of members — both Conservative and Liberal — are on record as wanting the law amended to bring a greater resemblance between legislation and reality.

For example, the Bay Vista Club's guests, the St. Francis Xavier Alumni Association, claimed to have a "permission", signed by the chairman of the New Brunswick Liquor Control Board, to operate a bar. The raiding Mounties refused to accept the authenticity of the document.

Bathurst town magistrate C. E. Dumaresque — before whom charges will be heard Dec. 17— says that town police ought to have been tipped off before RCMP swooped down.

The alumni association has demanded an official apology.

The government says an inquiry will be made.

The RCMP says it raided the club—not the alumni.

Clubs operating with "permissions" flourish. There are perhaps 40 in greater Saint John. Many of the province's top citizens belong to at least one, perhaps to several.

The Maritime Provinces Board of Trade asked for a thorough study, acting on the prompting of the Saint John Board.

At Campbellton, the next round in the Chateau Restigouche case is awaited.

Van Horne claimed, after the conviction and fining at the hotel by Magistrate J. T. Troy, that the magistrate had refused to sign some subpoenas for persons needed by the defence.

Magistrate Troy refuted the argument. He said he had advised counsel for the hotel that in seeking a subpoena the defence had to attempt to show cause why a witness would contribute to the case. This had not been done, he said.

Van Horne is reported to have intended to subpoena an impressive list of leading lights in public and private life, turning the trial into a full-fledged inquiry.

Magistrate Troy, however, did not go along with the prosecution on the amount of the fine. Saint John barrister Donald M. Gillis, prosecuting, asked for a maximum $5,000 fine. Troy imposed a $1,000 fine and another $173.70 costs.

That's where it remains pending an appeal—and unless the fine is not paid.

Unions Get Few Recruits From White Collar Ranks

MONTREAL (Staff) — Organized labor is still having a hard time signing up Canadian white collar workers.

Canadian Labor Congress' "White Collar Committee" announced this week that since August about 500 clerical and office employees have been added to union rolls.

However, a CLC official later told FP that this was "about the same" as last year.

Unions are growing increasingly anxious about their general failure to break into this important and growing field of potential membership.

They have so far been unable to break down the white collar attitude that identifies itself with the management team.

Recently labor has had to face another difficulty — a growing distrust for the whole movement stemming from revelations of gangsterism and other disquieting behavior by a small, but well-publicized, section of labor.

The confused and unsuccessful strike by French-speaking CBC producers last winter in Montreal did little to help the office unions.

The producers eventually went back to work without affiliating with any established labor body.

The dream of one day sitting in the president's office still seems powerful enough to blunt all but a handful of labor's overtures to Canada's white collar workers.

New Rohm & Haas Division Formed

Rohm & Haas Co. of Canada, West Hill, Ont., has formed a new division to handle cross-Canada sales promotion and development of acrylic sheet and molding powder and modified acrylic molding powder.

The products are known in the industry as Plexiglas and Implex.

J. W. Robinson is manager of the new division. A. T. Orr, past president, Ontario section, Society of Plastics Engineers, will handle sales development as it relates to acrylic design and fabrication techniques. Both men will be located at West Hill.

G. W. Cunningham has been appointed sales representative in Quebec and G. T. Standish will handle sales in British Columbia.

Pioneer in the acrylic field, Rohm & Haas also produces a wide range of chemicals for industrial use.

New Highs and Lows

In the week ended Nov. 28, six new highs and 46 new lows were registered by general stocks listed on Canadian stock exchanges. In the mining group there were three new highs and 88 new lows. No new highs were recorded by western oils which had 42 new lows.

GENERAL

NEW HIGHS — 1959

Cockshutt Farms	Maple Leaf Gdns.
Crush Int.	Moore pfd. 'A'
Gurney Prod. pfd.	Nova Scotia Lt. rts.

NEW LOWS — 1959

Alum. of Can. 1st p.	Kelly Douglas warr.
Argus	Lakeland Nat. Gas
Asbestos	Loblaw Comp. 'A'
Ashdown Hdwe. 'B'	M. Loeb Ltd.
Beaver Lumber 'A'	Nlag. W. Weav.
Boyles 'A'	Noranda
B.A. Oil	Oshawa Whl. 'A'
Can. Bread	Penmans
Can. W. Cable "B"	Prem. Iron Ore
Cdn. Celanese $1 pf.	Que. Telephone
Cdn. Food Prod. 'A'	Reitman's
Cdn. Int. Pwr.	Do. 'A'
Cdn. Kodiak	St. Law. Cem. 'A'
Cdn. Oil	Salada-Shir.-Hor.
Circle Bar Knit 'A'	Shawinigan 4½% pf. 'B'
Crestbrook Tim.	
Dupuis Fre. 'A'	Ter. Elevators
Foundation Co.	Toronto Iron
Gen. Electric	Traders Fin. warr. 1956
Gt. Lakes Pwr. pref.	
Hees Geo. H.	Transair 'B'
Horne	United Steel
Ingersoll Mach. 'A'	Venezuelan Units
Inter. Bronze pf.	West Koot. pref.

MINING

NEW HIGHS — 1959

Amer. Stand.	Giant Yell.
Bellsterre	

NEW LOWS — 1959

Algom.	Lake Cinch
Alscope	Louvicourt
Anacon.	Macfie
Band-Ore	Maybrun
Beaver Lodge	Mentor
Bethlehem	Meta
Bralorne P.	Midwest
Buffadison	Milliken
Canam	Nesbitt Labine
Can.-Met.	N. Calumet
Canuba	N. Cronin
Cartier Q.	N. Harricana
Cheskirk	N. Jack Lake
Chess	N. Mylamaque
Chib. Kayrand	Norlartic
Chimo	North Am. Ash.
Chib. Min. & Smelt.	Northgate
Cons. Callinan	Northspan warr.
Cons. Denison	N.W. Vent.
Do. warr.	O'Leary
Cons. Paninore	Pardee
Cons. Mogul	Patino warr.
Cons. Negus	Pennbec
Cons. Sudbury	Que. Smelters
DeCoursey 'B'	Realm
Deinite	Sheep Creek
Donalda	Sheena
Duvan	Stadacona
East Sullivan	Stancrock
Eureka	Steeloy
Faraday	Sudbury
Farwest	Tache Lake
Gaspe	Tamagami
Genex	Trans-Can.-Ex.
Glacier	Trinity
Goldfields	Trojan
Goldray	Ultra-Shawkey
Gunnar	Virginia
Do. warr.	Weedon M.
Hollinger	Western Surf
Hugh Pam	Westville
Int. Molybd'm.	Willroy warr.
Irish Copper	Wiltsey
Joliet Que.	Wright Hargreaves

OILS

NEW LOWS — 1959

Bonnyville Oil	New Davies
Calalta	New Superior
Can. Oil Lands warr.	New York
Cdn. Fortune	Nuco
Cdn. Husky	Peace River
Do. warr.	Permo pf.
East Cdn.	Phillips
Edoran	Prosper
Empire Oil	Que. Oil Dev.
Fargo	Ranchman's Oil
French Pt. pf.	Rocky Pet.
Gateway	Royal Cdn. Vent.
Home Oil 'A'	Sapphire
Do. 'B'	Share Oils
Hudson's Bay O.	So. Union
Lloydminster	Stanwell
Medallion	Tri-Zone
Melton	Un-Canso V.T.
Merit	United Oils
Midcan	West. Nuco
New Cent.	W. Warner

OUTBOARD MOTOR

Among new lines of Scott outboard motors, introduced this week by McCulloch of Canada Ltd., is a 7.5 hp model weighing 36 lb., that compares in portability to existing 3 hp to 3.5 hp models. The compact motor fits into a zipper bag not much bigger than a violin case.

CANADIAN TUBEMEN
in
ACTION
at WOLVERINE

In Wolverine Tube's multimillion dollar plant at London, Ontario, copper, which has been mined and refined in Canada, is manufactured by Canadian employees into gleaming lengths of copper and copper alloy tubing. This tubing will be used from coast to coast in Canada, for plumbing, refrigeration, air conditioning, refining and processing and throughout industry in general—wherever, in short, nonferrous tubing is required.

We're proud of our new plant—it's one of the most modern and best equipped tube mills in North America. That's why, in the pictures at the left, we're showing some of the men and machines that will turn copper into tubing—the Wolverine Tubemanship way. For the complete story write for a copy of the Wolverine General Products Catalogue, Dept. AA-12.

1. This is our new multi-million dollar plant at London, Canada. It is among the most modern and best equipped in North America—makes only non-ferrous tube.
2. This machine is called a drawbench. On it, tubing is pulled through a die—reducing it in diameter from one size range to another—three tubes at a time.
3. This is a draw block. Towering high into the air, it also reduces tubing in diameter—forms it into coils at an exceptionally high rate of speed.
4. Because copper can become hardened through working, temper is extremely important. Inter-annealing and finishing furnaces assure controlled temper throughout manufacturing.
5. Wolverine's Tubemanship program demands rigid quality control throughout the manufacturing process. Here tube receives one of several visual inspections.
6. We'd like you to meet R. L. "Bob" MacGregor, Wolverine Tube's factory manager. Mr. MacGregor was born in Windsor, Ontario. He has had many years of tube making experience.

WOLVERINE TUBE
DIVISION OF CALUMET & HECLA OF CANADA LIMITED
LONDON, CANADA

ROYAL BANK BUILDING

A 20-Storey Building
at King and Yonge Streets, Toronto
offers you

MODERN OFFICE SPACE

Units from 440 sq. ft. to 4,800 sq. ft.

We invite enquiries

Managing Agent

CHARTERED TRUST
COMPANY

REAL ESTATE DEPARTMENT: 34 King Street West, Toronto
EM. 8-7681

VAN HORNE CORPORATION, LIMITED
1126 SHERBROOKE WEST, MONTREAL

Proudly Presents

A SELECTED GROUP OF HOMES AND ISLANDS IN THE SUN
(Away from taxes and succession duties)

CENTURY-OLD JAMAICAN COLONIAL—36 acres
7 room residence in Huntsville, including guest cottage, garage, etc. Planted with tropical trees as well as mangoes, pears and bananas. 80439-B

CHARMING NASSAU HOME WITH PRIVATE BEACH ON HIBISCUS BEACH
6 rooms, 3 master bedrooms, 3 baths etc. completely furnished. Magnificent view from private terrace, one of the last available oceanfront homes with private beach in Nassau. 80268

NEW CONTEMPORARY-SWEEPING VIEWS OF HARBOR
This six room residence planned for its spectacular location at an altitude of 1,400 ft. lets you enjoy a superb panorama of Kingston Harbor, located in St. Andrews, Jamaica. With more than one acre of terraced and brilliantly landscaped gardens. Offered for sale with or without its beautiful antique furniture. 80379-B

BEACH CLUB
With 227 seafront acres on Jamaica's North coast. Hotel and attractive cottages, 23 buildings in all. This offers a superb opportunity to combine business and pleasure. 80453-B

ST. JAMES, BARBADOS, B.W.I.
New guest and beach club about three acres with tremendous sandy beach. 3 buildings with 5 completely equipped rooms with bath each. Beautiful tropical grounds, terrace overlooking beach — bar. 80332

ISLAND COTTAGE COLONY
Green Turtle Cay, Bahamas
3 housekeeping cottages on 14 acres, 1,000' beach frontage, capable of further development. 80402

ELEUTHERA ISLAND, BAHAMAS
2400 acres, working plantation producing meat, poultry and eggs. Including poultry packing plant, 260 head of cattle, dairy buildings, ice cream producing plant, going concern which offers also many taxation advantages. 80353

35-ACRE SUGAR PLANTATION NEAR BRIDGETOWN, BARBADOS, B.W.I.
Spectacular views, a great house, 7 rooms, 3 master bedrooms and 3 baths, etc. Guest cottage and valuable land for subdivision. 80450

PRIVATE ISLAND IN THE CARIBBEAN
55 acres in the tropical waters of the Caribbean. Attractive ranch style residence, 8 rooms, 10 head of cattle. Near Airport and up-to-date town facilities. Ideal for private house and also well suited for yachting or hotel. Furnished and including boat. 80221-R

HIBISCUS BEACH, NASSAU, B.W.I.
New furnished 5 room cottage. Beautiful view of ocean, landscaped gardens near golf course and Airport. 80267

DISCOVERY BAY, JAMAICA
Modern 8 room house near beach, built in 1958. About 1 1/5 acre overlooking bay and ocean, carport. Flowering shrubs, flower gardens, fish pool. 80447

MAMMEE BAY, JAMAICA
Superbly-built 6 room house on two acres, bordering beach, designed by leading architects in 1954. Woodwork of cedar and light mahogany. Plate glass sliding doors, modern bedrooms and kitchen, etc. Superb view of the sea. 80446

JUNGLE COVE
Near Nassau — 11 room residence with beach house, 550' oceanfront, 10 miles from the city of Nassau, 6 acres of exquisite landscaped land. 80444

HOTEL
A charming country inn with 25 guest rooms, restaurant, in the green hills of Jamaica. This first class hotel is located in an ideal year around climate. Completely furnished and equipped dining veranda, snack bar and modern bar, as well as lucrative gift shop and beauty shop (Elizabeth Arden Agency). Near beautiful golf course and tennis court. Experienced management will stay on if desired. 80451

MAGNIFICENT ISLAND KINGDOM
90 acre self contained island in the Bahamas. Complete with charming 8 room residence, guest and staff houses in small native village. A world to itself. Easily accessible. This many million dollars dream spot is offered for below cost price. 80407-B

BUILD YOUR OWN HOME IN JAMAICA RUNAWAY BAY
This unspoiled spot with beautiful beaches near Ocho Rios has still the Old World charm. No crowding. A number of select building sites are available.
VAN HORNE CORPORATION LIMITED operates CANADIAN PROPERTIES CLEARING HOUSE — for excellent properties or business. If interested in selling your property — write for brochure.

OCHO RIOS, JAMAICA
Charming tropical island luxurious 7 room home and staff building overlooking the sea, 2 acres of land. Furnished. Completely repainted and redecorated recently. 80448

MONTREAL DORCHESTER STREET
One entire city block with 440' frontage on Dorchester. Total area 136,000 sq. ft. Unique site in Downtown Montreal. Exclusive listing. Full details to principals. Call Walter J. Kent.

BUSINESS OPPORTUNITY
A manufacturing Corporation of cement aggregate where a gross profit approaches half million mark annually. Located near Montreal, with unlimited reserves of raw material — New plant very efficiently and modernly built — Excellent management. This is an outstanding opportunity. $650,000 will handle—good financing arranged.

We are also offering the Summer Home of the late FRANKLIN D. ROOSEVELT on Campobello Island, New Brunswick, fully furnished, original furniture including paintings by Mr. Roosevelt. 15 acres. Dutch Colonial residence has 23 rooms. Other buildings for staff.

VAN HORNE CORPORATION, LIMITED
1126 Sherbrooke Street West,
Montreal, Que. Victor 4-3031

"If someone in my family had a serious illness— how would we ever pay the bills?"

"Medical expenses can pile up in a hurry, especially if an operation is involved—entirely aside from the cost of hospital care.

"Where would the money come from if this happened to me, or my wife, or one of the children?"

There is a simple and satisfactory answer: London Life Group Comprehensive Health Insurance.

To employee groups of ten or more, and their dependents, this plan can assure money for many medical services. Together with hospital insurance arranged through governmental plans, it brings all-round protection. Where insurance is not available through the government, Group Comprehensive provides money to help pay for basic hospital care as well. Under comprehensive plans, benefits can total as much as $10,000 for any one illness or accident.

Information about such a Group Insurance plan, especially designed for your firm, may be obtained through any of the Company's 87 branch offices across Canada.

London Life
Insurance Company
Head Offices: London, Canada

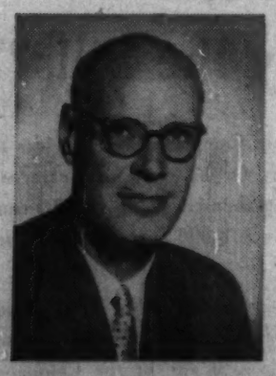
FP-9

"there's no place like home"

CRANE LIMITED chooses Canadian magazines

The prime market for Crane's beautiful coloured fixtures is in all new home construction. Mr. J. D. Webb tells why his company embarked on the current campaign designed to help builders sell more homes by making the prospective home owner aware of the advantages of home ownership, and why his company chose Canadian magazines to carry this promotion.

"When Crane Limited designed a promotion to tell prospective home owners the advantages of home ownership, and thus stimulate the sale of the 150,000 homes being built this year... experience told us there was no better way to reach this selective audience than through the Canadian magazines.



"Years of consistent advertising in Canadian magazines have proved to Crane the important influence of these books in the home. They offer the right background in which to present our sales message to homebuilders and home owners, and have helped to establish firmly the quality and desirability of Crane products in the public mind."

J. D. Webb Manager, Advertising Department, CRANE LIMITED.

As in the case of many other leading manufacturers, Crane Limited has consistently used Canadian magazines to build the quality image of its products. No other medium combines so many effective factors ... nation-wide influence ... leisurely reading ... long life ... fine colour reproduction ... and magazines reach the able-to-buy homes at relatively low cost. Consult your magazine representatives, or write to us.

This advertisement sponsored by:

Canadian Homes & Gardens
Chatelaine
Health Magazine
La Revue Populaire
Le Samedi
Liberty
Maclean's Magazine
Saturday Night
Western Homes & Living

THE MAGAZINE ADVERTISING BUREAU OF CANADA

21 Dundas Square Toronto, Canada

The Financial Post

Vol. LIII | Publication Office: Toronto, December 5, 1959 | No. 49

Meet the winners of FP's 1959 awards for annual reports:

Manufacturing—Metals & Metal Products:

Aluminium Ltd.
Ford Motor Co. of Canada
Dominion Electrohome Industries

Primary Manufacturing—All Other Products:

Abitibi Power & Paper Co.
Canadian Oil Cos.
St. Lawrence Corp.

Secondary Manufacturing—All Other Products:

Moore Corp.
Chateau-Gai Wines Ltd.
Du Pont of Canada Ltd.

Merchandising and Distribution:

Southam Co.
Dominion Stores Ltd.
G. Tamblyn Ltd.

Mining and Oil Production:

Falconbridge Nickel Mines Ltd.
Home Oil Co.
International Nickel Co. of Canada

Public Utilities:

British Columbia Power Corp.
Shawinigan Water & Power Co.
Mexican Light & Power Co.

Finance:

Investors Mutual of Canada Ltd.
Industrial Acceptance Corp.
Canadian Investment Fund Ltd.

And the judges . . .

By appointing judges from among their leading members, these national organizations serving the business community co-operated with FP in making the annual report awards this year and in the past nine years:

Canadian Institute of Chartered Accountants, the central body for 10 provincial institutes, consists of 9,100 chartered accountants across Canada. CICA projects include publishing and research on a national scale.

Investment Dealers' Association of Canada, which has 198 firms dealing in government, municipal and corporation securities in its membership. Promotion of the welfare of investors, encouragement of wise legislation and methods of sound financing are among its aims.

Association of Canadian Advertisers, a group of 167 national advertisers, aiming at promotion of higher ethical standards, encouragement of a better understanding of advertising, and development of the science of advertising and marketing.

Why winners won . . .

Manufacturing—Metals & Metal Products:

Aluminium Ltd.

Unanimously, the three judges awarded first place in this group to Aluminium's report. "Truly a model of financial communication," wrote the judge representing the Canadian Institute of Chartered Accountants. "Best presentation of facts and figures . . . excellent cover photos," commented the Association of Canadian Advertisers' judge. "It would be difficult to imagine a more detailed presentation," said the Investment Dealers' Association of Canada's judge.

"Comprehensive picture of the whole operation, clarity in the narrative, clear-cut use of charts, interesting photography, excellent choice of typography," the IDA judge observed. Footnotes to financial statements were clearly presented — not as an afterthought, as often happens. Few other companies are so generous as to provide a 30-year statistical comparison.

"This report, having special regard to the president's and directors' letter to shareholders, might well be regarded as a 12-months' reference memorandum," the IDA judge concluded.

The CICA judge also praised the reports to shareholders for their readability, achieved by a short letter stressing basic problem areas, and supported by a more detailed operation review. Analysis is simplified by sales breakdowns, statement of percentage of ownership of subsidiaries, and a separate consolidated balance sheet of all non-consolidated companies in which Aluminium has at least a 50% interest.

His one criticism: Main consolidated balance sheet does not develop a separate total for claims of all creditors.

Ford Motor Co. of Canada

Not as elaborate as some multi-colored reports, but presented with a dignity that won commendation. This was the first report to consolidate Ford's overseas subsidiaries' accounts; wisely, the first page set out the basis of consolidation. On the consolidated balance sheet, "retained earnings in Canada" have helpfully been separated from "retained earnings overseas".

The 10-year financial summary is presented in praiseworthy detail, including full data on sales and Ford's share of the market. Operation of overseas subsidiaries is set out in detail, with useful photographs.

Two judges, however, criticized the lack of information about future plans. One added: "Too conservative a report for an alert, dynamic company."

Dominion Electrohome Industries Ltd.

"Proof that a story on a company's activities can be presented fully and interestingly without any evidence of unnecessary expense," the IDA judge wrote. The report presented practically all details that anyone could wish, supported by an interesting — but not elaborate — combination of charts and photographs. Frankly and fully, the president's report described the year's results, the outlook, and the company's products and their applications. The five-year comparative financial statement included income, assets, liabilities, and working capital.

But the CICA judge noted that specific improvements were possible, especially in terminology. List of the various sources of working capital was incorrectly headed, "Statement of working capital". A better heading than "deferred liabilities" could have been found for the list of long-term debts on the balance sheet.

Other Companies:

Massey-Ferguson Ltd. ranked high for the visual impact of its report. It made excellent use of dramatic color photos and of colorful and easy-to-read charts with large type — but over-all inconsistency of typography and design was a weakness. A splendid full-color illustration of products on the inside back cover gatefold might have been better as a centre spread.

The IDA judge liked the description of plants and products, comparative details of sales, comment on earnings outlook — but found the three-year statistical summary insufficiently detailed. The CICA judge praised such disclosures as the transactions entering into capital surplus and sales data by major lines. He criticized the footnotes for their small type, and for not indicating that some subsidiaries' income was derived in a period longer than a year.

A. V. Roe Canada Ltd. also presented a handsome report, with good design and photos. From the accountant's standpoint, the Roe report was less advanced — it still presented a "reserves" section, and made no attempt to cope with the admittedly difficult (for Roe) task of compiling a long-term historical summary.

Atlas Steels Ltd. had a compact and relatively comprehensive report. One judge praised the typography, another criticized it. Praise also went to the president's report for including the rate of return on sales, and criticism to the 10-year summary for omitting per-share earnings, and to the income statement for omitting full year-to-year comparisons.

Fruehauf Trailer Co. was commended for giving full details on subsidiaries' operations, even though not consolidated. But the three tax liabilities on the parent's balance sheet might well have been lumped together.

Dominion Foundries & Steel Ltd. won high praise for a directors' report which, instead of rehashing financial data, presented a straightforward interpretation of their significance. But the report would have been more useful if comparative highlights had covered a longer period and if dollar sales had been reported. **Dominion Bridge** report contained interesting photos, but the letter to shareholders was too brief. Its balance sheet followed the out-of-date practice of listing accumulated depreciation allowance on the liability side; if such non-conformity is necessary, a footnote should explain why. **Steel Co. of Canada** had an outstanding directors' report, stressing Stelco's role in the industry and in the country, but the report failed to give comparative statistics for a period of years.

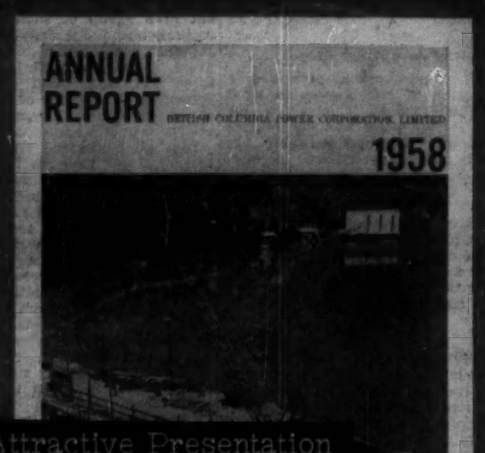
Directors' reports drew comment from the judges in some other cases. In its brief report, **Canadian Vickers** had the courage to warn shareholders of a less promising outlook for the immediate future. The **Dominion Steel & Coal** directors' report was "much too abbreviated" for an industrial complex of Dosco's size. In the case of **United Steel Corp.,** the message referred to some readily apparent balance sheet items, but was silent about the appraisal of fixed assets in the current year, which would contribute greatly to growth in equity per share. **Russell Industries Ltd.** had a specially good directors' report, but lacked adequate comparative information.

B. J. Coghlin Co. report was "useful and yet completely unpretentious . . . all of the figure facts are there, and this is the root of all good reporting." This report, and **Canada Iron Foundries,** were singled out for providing useful data on subsidiary operations.

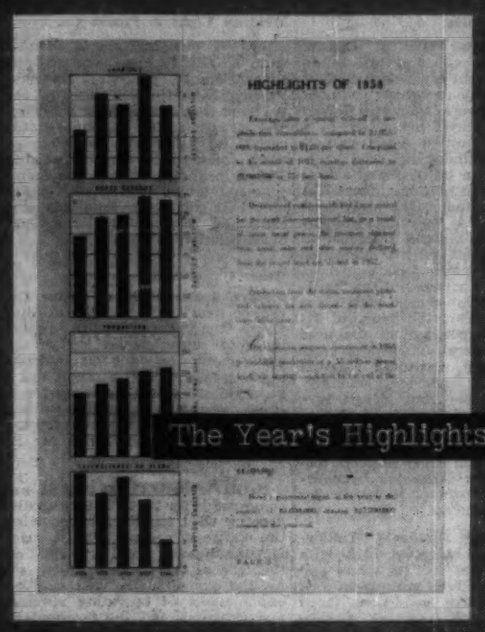
Canadian General Electric Co. wisely emphasized that its pro-

(Continued on page 28)

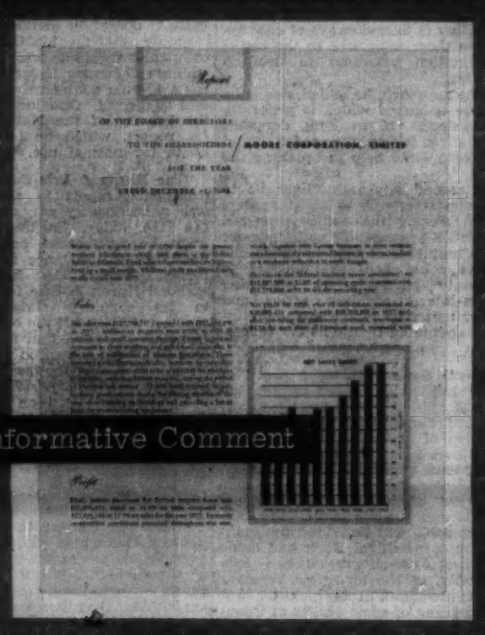
What the Judges Liked

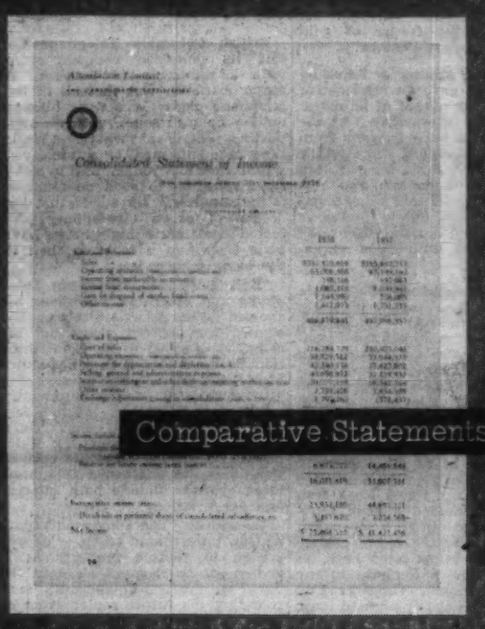


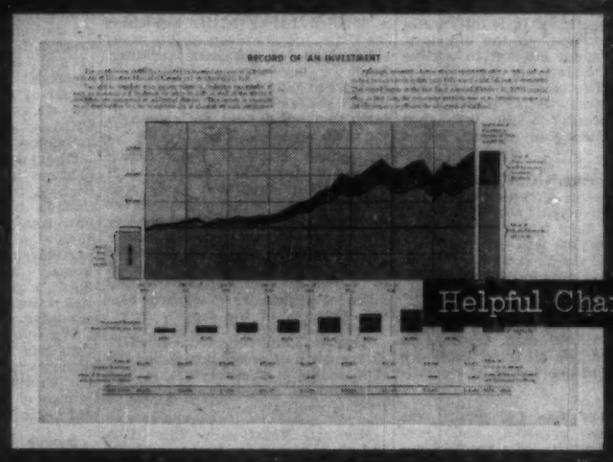
Attractive Presentation



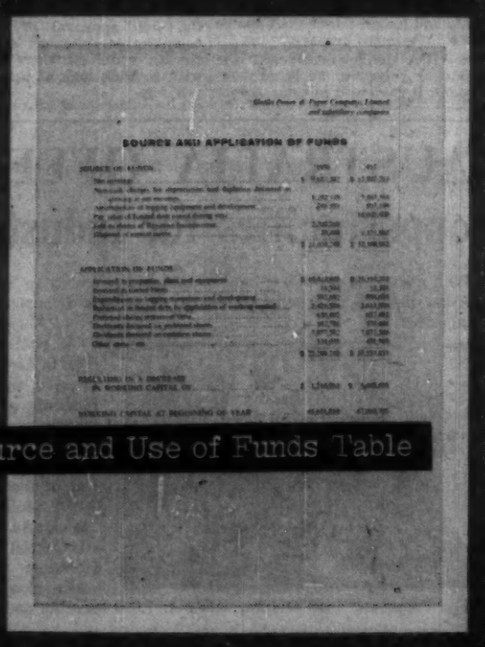
The Year's Highlights


Informative Comment

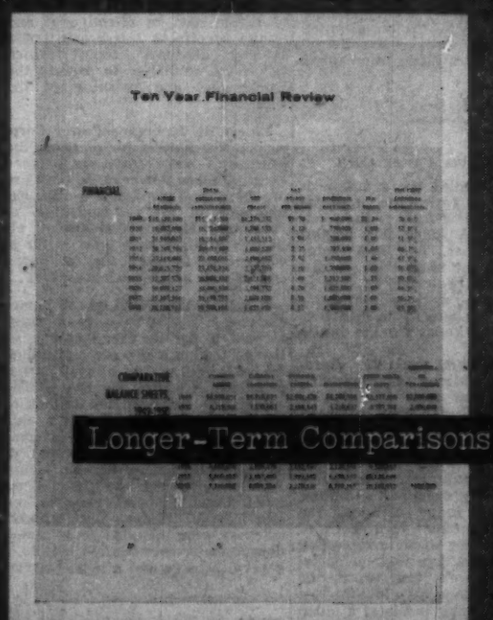

Comparative Statements



Helpful Charts



Source and Use of Funds Table



Longer-Term Comparisons

FP's 1959 Awards for Annual Reports

(CONTINUED FROM P. 25)

vision for income tax was an estimate, and stated its sales-earnings ratio, and rate of return on capital invested.

Primary Manufacturing— All Other Products:

Abitibi Power & Paper Co.

The Abitibi report won by a narrow margin over a group of several reports bunched closely together in order of merit. The CICA judge observed that Abitibi had avoided the twin dangers of over-simplification and over-elaboration. The directors' report won special acclaim for explaining the significance of data contained in the financial statement, and for its exposition of industry conditions.

"In all of its aspects," said a judge, "the Abitibi report bridges the ever-widening gap between owners and managers in modern industry."

Canadian Oil Cos.

This report stood out for its 50-year history, commemorating the company's fiftieth anniversary, and for the 10-year statistical summary. But while awarding top honors for the report's pictorial presentation, a judge suggested that the financial statements would have been improved by showing the inventory reserve for what it is — an appropriation of surplus.

St. Lawrence Corp.

An outstanding aspect of this report was the information given on the whole company — the incorporating act, the products, the markets and the capital structure of the parent and each subsidiary. A major criticism was that "capital surplus remains a conglomerate mixture of items"; it would have been better to designate separately all material components.

Other Companies:

Many of the top-rated reports share their advantages and drawbacks evenly. "For example," one judge noted, "although the petroleum industry accounting has reached a high degree of uniformity and disclosure, none of the oil companies specifically disclose the amount paid in lease rentals."

A major failing of many companies was omission of sales figures on the earnings statement, although a few reported it elsewhere. "Any industry expert could probably make a rather accurate estimate," a judge wrote, and there is therefore little validity in the excuse that sales data are withheld for competitive reasons.

An equally serious failing, in many cases, was lack of reconciliation between reported taxable income, and the income tax shown. Two companies — **Canadian Chemical & Cellulose** and **Royalite Oil** — reported payment of income taxes despite a loss; no explanation was provided.

In a large number of reports, the statistical summary covering several years was either presented sketchily or omitted altogether. This summary, properly presented, is highly useful to the analyst.

British American Oil Co. report ranked near the top. "The form of data presentation ranks equally with the disclosure of figure information itself," the CICA judge wrote. "Particularly laudable is the manner in which the report sets out a change in the company's depreciation accounting."

Imperial Oil Ltd. also placed high on the list, in large measure due to the care with which the report explained the accounting methods used. The treatment of exploration costs, the costs flows used in inventory accounting, and the depreciation allocation methods are all indicated for the use of the discerning reader.

Three oil companies — **B-A, Canadian Petrofina Ltd.** and **North Star Oil Ltd.** — showed "a remarkably low tax rate" on the reported taxable income, the IDA judge noted. This suggests that the method of reporting actual tax payments, and probably depreciation and depletion, "certainly does not underestimate the resulting net profit."

Other criticisms of the North Star report were that it lacked an index despite its 52 pages, that immaterial details were presented in the statement of source and application of funds, and that the profit and loss statement was "disjointed." It drew praise for linking its products with its sales, and for its maps.

Among the paper companies, **Anglo-Canadian, Anglo-Newfoundland** and **Powell River** followed the recommended method of presenting a balance sheet on which the current assets less current liabilities plus other assets equal the total capital. This "statement of condition" method compels the proper allocation of reserves to the capital account.

MacMillan & Bloedel, Bathurst, Price Brothers and Powell River all transferred certain inventory and contingency reserves back to surplus, with the statement that they were no longer required. "This makes for a significant improvement in statement presentation, and surely it is a realistic appraisal of the fact that the whole of the owners' equity section is a general contingency reserve," wrote the CICA judge.

Great Lakes Paper directors enunciated their public and corporate duty to provide full information "in an understandable form," and even asked for suggestions from readers of the report. A separate section was presented, containing statistics for professional analysts and others interested in long-term trends. The report was also commended for its glossary of terms used by accountants.

Fraser Cos. was criticized for not presenting a comparative balance sheet, and for continuing to use cents in financial statements. This not only detracts from readability, the CICA judge observed; it also implies an exactness which does not exist in accounting measurements.

An example of the experimentation in form, which is necessary if statements are to continue to evolve as useful documents, was Anglo-Canadian's innovation of showing the appropriations of retained earnings in a footnote to the balance sheet.

Canadian Salt Co. did not present a consolidated statement, nor did it carry its investments in its subsidiaries on the equity basis.

Secondary Manufacturing —All Other Products:

Moore Corp.

A frequent winner in previous years' contests, Moore Corp. was rated best by this year's judges despite close competition from others in this group. Judges approved especially of its over-all format: "Conducive to easy comprehension," the CICA judge wrote. "The graphic presentation of the more important figures provides a visual illustration of the company's growth and development," the IDA judge commented.

Because of the "array of significant details," the reader had every opportunity to assess the company's potentialities, a judge observed. The directors' report, rather than repeating information contained in the footnotes, made specific reference to the relevant numbered footnotes.

One criticism, which has been made of the Moore Corp. report in the past, was that the balance sheet lumped lands and buildings together. "This must be condemned," the CICA judge said, "as the balance sheet should show at least separate totals for depreciable assets as distinct from non-depreciable assets."

Chateau-Gai Wines Ltd.

This report ranked close to Moore Corp. in eye appeal; one judge, in fact, felt that this aspect was over-emphasized. In comparing the two top reports, the IDA judge wrote that they both provided "a very good report on the stewardship of management", and that Chateau-Gai supplied more information about the industry and its own operating facilities.

The CICA judge found that some of the many statistical measurements were needless repetitions, and that it might have been better to have collected all of the statistics in one section. He also considered it "amazing" that no direct statement of sales is given, yet the graph showing "distribution of the sales dollar" allows the reader to calculate sales value.

Du Pont of Canada Ltd.

"Clear, well laid out, well printed, and factual with no unnecessary trimmings," the ACA judge wrote. "It speaks with dignity and impressiveness, and reflects the company image adequately."

The report contained neither pictures nor color, the CICA judge observed, yet its standards of financial disclosure were such as to win the report a high place. The directors' report was a complete review of operating and financial highlights. One outstanding graph emphasized the cash generated within the company. Laudably, the funds statement rounded amounts to the nearest thousands of dollars; this emphasizes the fact that financial statements contain many estimates.

Other Companies:

Canadian Industries Ltd. was ranked abreast of Du Pont in appearance, by the ACA judge, but failed to win any special praise from the other two judges. **Rolland Paper Co.** report was described as a "masterpiece of printing", and was further improved over recent years by inclusion of sales revenues and a good 10-year statistical summary, and omission of cents in financial statements. The balance sheet was considered too detailed; the CICA judge questioned the necessity of a separate classification for "accrued interest receivable", and of a separate footnote for an outstanding commitment of only $146,000.

Westminster Paper Co. was commended for including in its five-year summary both the depreciation allowance recorded in its accounts, and the depreciation recorded but not claimed for tax purposes; and for a footnote reporting the amount of "available future capital cost allowance". Illustrations of plants were better handled than in most reports, said the ACA judge, and made an impressive centre spread.

Harding Carpets Ltd. "sets a pattern of disclosure which other companies of this size might well follow," the CICA judge wrote. He termed the report a forthright presentation of financial detail needed for an informed analysis. But the ACA judge suggested that typography could have been improved, and that a larger format would have eliminated crowding. He found the front cover "attractive".

T. G. Bright & Co., the CICA judge said, also showed that a big outlay is not necessary to effective reporting. He ranked it high for its care in statement terminology, for the straightforward wording of its directors' report, but would have welcomed graphs to illustrate important financial relationships.

Hiram Walker-Gooderham & Worts Ltd. was well up in all three judges' ranking, yet all three had criticisms. The IDA judge suggested addition of a statement of source and application of funds, and more detail in the statistical summary. The CICA judge echoed the second suggestion, saying that a basic ratio, such as net profit to assets, might be included in the summary. The ACA judge approved of the "dignified" cover, but noted that a U. S. coin was used on a pie-chart showing distribution of sales dollar (the report's statements are expressed in U. S. funds—the U. S. is the major source of company's revenue).

Imperial Tobacco Co. of Canada also ranked high — but with reservations. The ACA judge approved of the use of color bands in the financial statements to distinguish between 1957 and 1958, and the arrangement of statistics. He criticized the cover on two counts — the signature was too small, and the illustrated circles were meaningless. The IDA judge noted the lack of a statement of source and application of funds, and of sufficient detail in the statistical summary. The CICA judge suggested the basis of inventory valuation — "at average cost or under" — deserved some award as the most nebulous basis of inventory valuation.

D. A. Stuart Oil Co. report was described as "a model for smaller companies", and "unusual because of its extreme simplicity". Using red in two different tones and in both light-face and bold-face type gave a multi-color effect. Trademark identification was excellent, as was size of type and clarity of printing. Balance sheet could have been improved by grouping together certain smaller items, such as the various taxes payable.

Canada Packers Ltd. made good use of its trademark for paragraph separation, and of a distribution map on inside back cover. But the front cover failed to establish corporate identity, the ACA judge wrote. Material in the report was well arranged, and successfully interpreted the community of interest between livestock producers and packing houses. On the balance sheet, an improvement would have been the listing of the inventory reserve in the shareholders' equity section.

Somerville Ltd. won praise for using the combined term, "net worth (shareholders' equity)" on the balance sheet. This, the ACA judge wrote, "provides a useful classification during a transitional stage in balance sheet terminology." Typography and layout were good, although better use could have been made of color. **Canada Foils** was criticized for showing cash surrender value of an insurance policy as a current asset. If management does not intend to borrow on the policy, then it represents a long-term investment.

More companies should try to give measurements in terms of their products, as **Consolidated Bakeries** did with its analysis of "unit costs for a 24 oz. loaf", the CICA judge commented. The ACA judge liked the cover, with its corporate and trademark identification, but found that the inside layout made the report resemble a house organ.

Ogilvie Flour Mills Co. neither consolidated a subsidiary, nor explained its failure to do so. Two judges praised **Hinde & Dauch Paper Co. of Canada** for its review of activities at each of its manufacturing plants, but one commented that the financial statements were given insufficient prominence. **Acadia-Atlantic Sugar Refineries Ltd.** was criticized for the unusual step of deducting a provision for reserve for contingencies from its income statement, then describing the resulting balance as the net profit for the year.

Merchandising and Distribution:

Southam Co.

A heavy favorite with judges of all three associations. "Visually, it is in a class by itself," one judge wrote. "Contents are well presented, and it strikes a happy balance between concise but impersonal reporting, and wordy but promotional reporting." Two judges gave special praise to the inclusion of photos and brief biographies of directors and officers. Human interest was also acknowledged by the summary of Southam's business philosophy, and the use of photographs and highlights of the year's news.

Balance sheets employed an effective treatment of equity claims on the business, by separating distinctly the liability claims from those of the shareholders. Tables and graphs were easy to follow; use of percentage changes in year-to-year income was commended. One judge found the directors' report too long in relation to type size, and the artwork less than ideal.

Dominion Stores Ltd.

As usual, this company produced an outstanding report, with attention to useful detail. "Extremely complete and interesting . . . clever use of graphs, tables and photographs . . . almost seething with humanity, bristling with human interest," wrote one judge — but he felt that perhaps too much effort had been consciously directed to public appeal to the detriment of the basic annual report.

Special mention was made of such useful operating details as sales, cost of goods sold, salaries and other important expense items, but the statements lacked any allusion to leaseback commitments.

Another judge, however, found ample room for criticism. He described the editorial side of the report as "a combination of old-fashioned and self-conscious modern . . . hard to read . . . overdone in poor taste," and the design "poor, over-ambitious, dull."

G. Tamblyn Ltd.

This report, too, reflects careful preparation, with thoughtful use of photographs and charts, and recognition of the community interest of company and staff. All of the necessary financial data are included, informatively and attractively.

Terminology, however, was inconsistent: The same figure was referred to variously as "net income" (highlights), "net profit" (income statement) and "net earning" (financial review). A certain account is called "provision for income taxes" at one point, "reserve for the payment of taxes" at another. This company, too, indicates its sales in a chart but not in the income statement.

Other Companies:

Canadian Hydrocarbons Ltd. offered a simple but easily read and effective report. No color was employed, but good use was made of type and design. The report also won commendation for its thumbnail sketches of officers and directors, and its review of the year in brief. Criticisms concerned the "somewhat turgid" directors' report, lack of graphs, lack of review of previous years' results, and lack of reference on the financial statements to the separate footnotes.

Sun Publishing Co. omitted such near-essentials as a statement of source and application of funds and a summary of previous years' results, but was commended for its successful attempt to make the figures comparable with those of the two previous years, despite the basic changes that had taken place in the company's financial affairs. It accomplished this by means of ratios determined from the latest year's statement. Stress was also placed upon the fact that the company's current position offered maximum flexibility to management.

Silverwood Dairies Ltd. report was termed "extremely complete", with an especially good 10-year summary. The statement of consolidated working capital skilfully combined narrative and statement form. A suggested improvement would be a statement of company's depreciation and capital cost allowance policy, so that it would not be necessary for the analyst to make nebulous inferences in this important policy area. The ACA judge felt that the report had been designed in "an old-fashioned style".

Johnston Terminals & Storage Ltd. presented "the necessary information with a minimum of display", in the words of the CICA judge. Another judge spoke of "an excellent account of the stewardship of directors". Criticisms concerned lack of graphs and insufficient information in the directors' report.

Toronto Elevators Ltd. presented its charts clearly; a bar chart emphasized one of the most useful measurements — the rate of return on investors' capital. Photographs were termed "excellent".

Steinberg's Ltd. presented an interesting five-year projection of sales, and presents the management team responsible for this "forward thrust". By thus outlining the broad intentions of management, the report acknowledges the importance of planning.

Reitman's (Canada) Ltd. made an informative disclosure of tax reductions which resulted when capital cost allowances claimed were higher than the depreciation provided in the accounts. The report showed both versions, in current and cumulative form. But the company's own debentures were classified as current assets.

Mining and Oil Production:

Falconbridge Nickel Mines Ltd.

This report was well illustrated with charts concerning operations, and illustrating the 10-year summary. An unusual feature was a full scale map of the mine, which would be of special interest to the more knowledgeable reader. A useful discussion of problems facing the company and the industry was provided.

The report "shines in its presentation of the year's highlights, in its review in brief, and for the excellent disclosures in its financial statements," wrote the CICA judge. He questioned, however, the company's "somewhat arbitrary" write-off against current earnings of a large amount of pre-production expenditures. "If the same write-off is made in the current year, all of the pre-production expenditures will have been removed from the balance sheet."

Home Oil Co.

Judges were agreed that much time and care went into preparation of this report, but were divided in their opinion of the results. One judge gave unqualified praise to the photographs of operations, and charts showing growth of production, exploration and development expenditures, reserves and gross income, all over periods of up to 11 years. Another judge, while commending the "particularly attractive cover" and the gatefold, felt that the designers had tried too hard, that some illustrations were "busy", and that close-cut illustrations tended to clutter the report.

Judges liked the directors' report —especially the sub-headings in the margins—and the organizational chart, but one judge thought that the directors should have commented specifically upon the fact that the year's income bore the whole of the interest charges on $35 million debt although 40% of the assets produced no income in the year.

International Nickel Co. of Canada

"This report has the look of quality," wrote the ACA judge, "and is tastefully designed with excellent use of the second color to point up important data rather than simply as decoration." Commendable features included the complete index at the beginning, a layout of the metals handled by Inco, a 12-year statistical summary, and an "explanatory financial section" which the CICA judge termed "a basic contribution to better reporting".

While this section is an integral part of the financial statements — and thus comparable to the footnotes in other annual reports — it elaborates on all important items within the statement. One shortcoming is its failure to explain company's policy concerning the provision for self-insurance.

Other Companies:

New Superior Oils of Canada Ltd. report was an interesting example of what can be achieved at relatively little expense, without extensive artwork. **Canadian Husky Oil Ltd.** was well presented, in a way that permitted ready assimilation of pertinent financial data. But it lacked a statement of source and application of funds, the CICA judge noted, and might have been improved if the 10-year summary had contained a direct reference to the financial statements' footnotes. **Pacific Petroleums Ltd.** explained capably the intricacies of the "pooling of interests" which took place during the year, the basis of its depletion charges, and its practices regarding general exploratory costs and dry holes. **Canadian Atlantic Oil Co.** rated high for "generally good appearance", but picture layout was deemed to be too heavy in relation to the written material. **Hudson's Bay Oil & Gas Co.** report, commendable in many respects, displayed a basic deficiency by omitting a breakdown of its plant and equipment figures.

Consolidated Discovery Yellowknife Mines Ltd. rated high with the IDA judge for its maps and photographs, which provide an idea of the operating conditions faced by the company. Other praiseworthy features were eight-year charts of revenue, of its distribution, of distribution of net profits, and an analysis of stockholders' equity. The letters signed by various officers were highly informative, although not well indexed. A discussion of the future of gold would have been welcomed.

Consolidated Mining & Smelting Co. of Canada gave an informative summary of the output of its major products. Less informative was the vague comment on a transfer from appropriated surplus. The ACA judge thought that the written material had "a packed and forbidding look", but that other companies might well follow Cominco's lead in grouping illustrations on the last two pages with good explanations.

Placer Development Co. made good use of a tree chart to illustrate its holdings in other companies, and presented comprehensive consolidated statements together with summary statements for each subsidiary. But Placer continued to show "reserves" on its balance sheet outside the shareholders' equity section. **Anglo American Exploration Ltd.** presented a comprehensive summary of its plant account, and accumulated provisions in each category of plant. **Steep Rock Iron Mines Ltd.** provided a good nine-year financial review — but neglected to note the recent change in the depreciation basis here, as it had done in a footnote to the earnings statement. **Ventures Ltd.** report was necessarily big and long; some more effective form of cross-reference should have been devised. The CICA judge regretted that the directors' report made only passing reference to the disposition of one of Ventures' large holdings —although the loss on disposal exceeded the year's net income.

The cover of the **Dome Petroleum Ltd.** report was considered "dull and uninspiring", but the information inside was well presented—an excellent highlights page at the beginning, and full use of descriptive charts, maps, graphs, and so on. The report might have been more effective if directors had more fully evaluated drilling activities and acreage position, rather than presenting four pages of detailed but highly specialized statistics. Commendably, Dome reported that, because of the number of shares held, the market values shown for investments "are not necessarily indicative of the amounts that could be realized if these investments were to be sold."

Fargo Oils Ltd. and **British Newfoundland Corp.** drew praise for their standards of reporting, despite the fact that both companies have relatively few shareholders and are specialized in their activities. Both presented a sound discussion of the company's position and problems. The personality of the organization came through well in the Brinco report, the ACA judge commented.

Public Utilities:

British Columbia Power Corp.

"The outstanding characteristic is its ability to carry the financial story directly and fully to the readers," the CICA judge said of this frequent winner. The IDA judge wrote much the same thing in different words: "Selected because of the clear and exceptionally interesting manner in which the past performance and hopes for the future are presented."

Company asked again for shareholders' suggestions for improving the report, and drew attention to one such suggestion that had been incorporated. One judge had another suggestion: that more attention be given in the report to the effect of rising interest rates, which are of primary concern to utilities.

The CICA judge deplored the company's treatment, as a profit, of a credit arising from redemption of bonds at less than their principal amount. Where's the profit, he asks, in redeeming low-interest bonds and issuing bonds at a much higher interest rate later in the same year?

Shawinigan Water & Power Co.

Financial data were well presented, with a review of the year's highlights, graphs on important aspects of the company's operations, good treatment of subsidiaries in the statements, and a source and application of funds statement.

Balance sheet terminology was excellent, but no explanation was given of the liability item, "contingent and other reserves." Similarly, no reason was given for a $500,000 transfer from contingent reserve to retained earnings. Without specific comments to guide him, an analyst can hardly assess the position of such vague reserves.

Mexican Light & Power Co.

Singled out for special praise were Mexlight's clear explanations concerning its currency problem, its exposition (in the directors' report) on the consolidation statistics, and its calculation of some useful ratios, together with the bases of their calculation. Because of the varied meanings attached to many financial terms, it is highly desirable that companies take this precaution of explaining the method of calculation in each case.

Other Companies:

Nova Scotia Light & Power Co. ranked near the top of the utilities group. One judge termed this report the most complete in the group, while another called it "an outstanding presentation". The report did a good job of "selling" both the Maritimes and the company, and pointed out what the company does for the communities it serves and for its customers.

Bell Telephone Co. of Canada was commended for its technique of dispensing with footnotes by showing the nature of certain balance sheet classifications in small type right on the face of the balance sheet, and for the exceptionally well detailed explanations of operating revenue and expenses. But the terminology employed on the financial statements was probably poorest in the group, the CICA judge observed; he found it difficult to understand Bell's failure to change to modern terminology, which "has undoubtedly improved corporate reporting".

British Columbia Telephone Co. told its complete, compact story with a minimum of flourish. A major criticism was that all of the telephone plant items were lumped on the balance sheet, with no supporting detail anywhere. "While the statements must be summaries," wrote the CICA judge, "still to carry summarization to such an extreme is meaningless." He added that the details of seven outstanding preferred stock issues might better have been shown in a footnote than in the balance sheet itself.

"Bell Telephone, **Okanagan Telephone** and **Maritime Telephone** all showed dividends as a direct charge against the current year's net income, as opposed to its usual position on the retained earnings statement," the CICA judge pointed out. "However, still greater uniformity might be advisable, particularly when it is realized that 'fixed charges' to **New Brunswick Telephone Co.** means only the cost of debt, whereas to **Quebec Telephone** fixed charges include both interest and depreciation."

He added: "The Okanagan report had an unfortunate label — 'depreciation to replace property as it wears out or becomes obsolete.' In view of the unknown costs surrounding the future replacement of properties, it is extremely doubtful whether this appellation should stand in the accounts."

In the **Provincial Transport Co.** report, the directors' report was brief and contained little interpretation or comment. "If the directors' report does not attempt to outline significant underlying facts, then it is often better omitted," a judge declared. "Otherwise, its presence requires the reader to labor through it without deriving any information of value."

Great Northern Gas Utilities Ltd. made a useful presentation of all surplus movements in a separate statement, then grouped the four types of surplus into one figure on the balance sheet. It was suggested that the company might well have followed this same form in its treatment of current assets, where five classifications are used for items of less than $15,000 each. Opposed to this great detail, all fixed assets are grouped into one figure of $13 million.

Consumers' Gas Co. report was "excellently prepared and presented", and featured a good delineation of the uses of gas.

Pembina Pipe Line Ltd. report was a study in contrasts — presentation of figure data as effective as any of the reports in this group, but a sketchy directors' report which failed the challenge to present the background and meaning of the figures.

Lower St. Lawrence Power Corp. report was faulted for omitting the company's name from the balance sheet. **Quebec Power** made good use of color, and provided a full explanation of the reorganization of subsidiary **Quebec Autobus** — although it might have been better to concentrate in one place, the financial effects of the reorganization.

Brazilian Traction, Light & Power Co. report scored strongly on style, as well as for its excellent exposition of the state of trade and industry in Brazil, and of other external problems affecting operations. The report was criticized for its lack of long-term financial statistics and, particularly for such a large company, its lack of a statement of source and application of funds. Another criticism was the balance sheet, which grouped "reserves and provisions". Under this blanket category were included accumulated depreciation, amortization credits, a general reserve and a legal reserve.

Finance:

Investors Mutual of Canada Ltd.

"From such information as the disclosure of the incorporating act through to the very full details on the company's investment portfolio, this report makes a commanding presentation," the CICA judge wrote. Directors succeeded in preparing an informative financial document, to answer all the questions of a discerning investor.

The report did an excellent job in detailing its portfolio of securities, and in presenting an accounting of its stewardship, another judge commented.

Industrial Acceptance Corp.

This report again presented a maximum of information, in what one judge termed "a most readable style". High point was the balance sheet and its appended notes, in which each specialized account classification was clearly defined. "The balance sheet is indeed a model for all those interested in effective statement presentation," the CICA judge said.

The report was also rich in such data as earnings ratios, ratios of secured borrowings to debentures plus shareholders' equity, and the like.

Canadian Investment Fund Ltd.

A close contender, this report was also lauded for its completeness and for its good organization. As an example, the listing of investment portfolio was supplemented by information on increases and decreases in holdings. "The statement itself is brief, orderly and graphically illustrated," a judge wrote. "It makes for an easy-to-read, easy-to-comprehend review of accomplishments."

Other Companies:

This year's judges had much the same dreary tale to tell, of the difficulties of gleaning any real information from the annual reports of Canada's financial institutions, especially its chartered banks. Not one bank made any basic change in its method of figure presentation last year, the CICA judge observed. "Surely the continuing task of the directors is to seek ways of conveying to those interested in the banks information pertinent to decision making."

One approach, he added, might be to use language which is generally understood. If banking demands specialized jargon, the reader should be given some help in breaking the code.

A second approach might be to develop standards to assist readers in measuring the banks' progress. Instead of presenting nothing more than long lists of bond holdings, the banks could help shareholders to evaluate portfolio by disclosing times-interest-earnings ratios and other measures which are undoubtedly computed by the banks' investment departments.

Royal Bank reported a profit of $15.8 million, but paid income tax of $23 million. "This most progressive of Canadian banks, with $250 million of capital and reserves and well over $4 million in assets, might well have presented some reasonable explanation to account for such a wide discrepancy between net profit and income taxes," the IDA judge said. But he added the opinion that the Royal Bank had made the best over-all presentation—specifically, in the forthright remarks of its president, in the pictorial representation of some phases of Canadian industrial growth, and in its simple graphs.

Both the **Bank of Montreal** and **Bank of Nova Scotia**, it was noted, presented highlights of the year's operations. Bank of Montreal was the only bank which did not provide a detailed listing of its branches; the CICA judge welcomed this as an elimination of needless padding. Bank of Nova Scotia published a separate booklet on its "annual statement", containing some financial information which was not shown in the main report.

Although Bank of Nova Scotia gave a comparative highlights section, **Toronto-Dominion Bank** was the only bank to give comparative figures on its balance sheet. It also attempted to make a separate presentation of the period's movements in its undivided profits, as opposed to its rest account. Liberal use was made of graphs, to emphasize certain features of the report.

Imperial Bank reported a remarkable growth of assets, which led the IDA judge to suspect that it, too, was guilty of markedly understating its true profits.

Montreal Trust drew the CICA judge's criticism for its reporting of securities. The balance sheet values them "less reserves" and indicates that profits and losses on sale of securities are included in the reserve for investments rather than in the operating statement. But no disclosure is made of the extent of these profits and losses, nor of the balance of the investment reserve.

The IDA judge considered the president's report to be largely redundant; it reviewed at some length the operating statements, but added nothing to the shareholders' knowledge. He added that this was true not only of the Montreal Trust report but also of **Royal Trust's**.

Royal Trust Co. report stood out in a group of somewhat arid reports, one judge felt, because it showed comparative figures for gross income, operating expenditures and taxes, and because it presented a record of historical growth in terms of income and trust accounts under administration.

Like all banks and trust companies, this one gave no information about the basis for evaluating assets. "Royal Trust's pronouncement that the profit 'was arrived at after providing for operating reserves and known contingencies' was most misleading," the CICA judge said. "If these particular charges represent ordinary estimated liabilities or loss provisions, then no specific comment would seem to be needed. If these charges represent neither liabilities nor incurred losses, then it is doubtful whether any such charges should be included in the 'operating expenditures'.

"The company's procedure is especially difficult to discern when it is realized that a new special reserve has also been set up to provide against future fluctuations in the value of securities and other assets."

Toronto General Trusts Corp. financial statements were in usual form and were adequate, the same judge commented, but much of what the president had to say could have been omitted without detracting from the report. **Chartered Trust Co.** report was "sufficiently comprehensive for an appraiser". Two judges gave high marks to **Guaranty Trust** for complete presentation and good use of comparisons, but one of them commented that no attempt was made to consolidate all of the excellent operating detail into one readable statement. Other trust companies would be well advised to emulate Guaranty Trust in providing a 10-year comparative record, it was suggested. One judge admired the brevity of the **National Trust Co.** report, which he termed adequate for normal use.

"The **Huron & Erie-Canada Trust** president's report to shareholders was unnecessarily ponderous," said the IDA judge, "in that much of what he said could be found in operating and balance sheet statements." The CICA judge commended Huron & Erie for showing, in its earnings statement, the amount written off the office premises, but regretted that no information had been shown on the balance sheet concerning the basis of evaluating fixed assets.

Terminology used on the Huron & Erie balance sheet was typical of the misleading terms used by the trust companies in general. Huron & Erie used the term "reserve fund", to indicate special appropriation of retained earnings, while Royal Trust used the term "reserve".

"Insurance companies as a group present statements designed, I am sure, to confuse rather than educate a shareholder," wrote the IDA's judge. "For these companies, a shareholder has become relatively unimportant in terms of the importance of the policyholder."

Canada Life won special commendation for its explanation of the intricacies both of basic insurance transactions and of the company's financial position. But, in attempting to explain some of its transactions, it fell into the common error of over-simplification; to say "we received" $4.5 million as "the reversal of amounts previously written off assets out of revenue," the CICA judge wrote, is "the height of ambiguous condensation".

Discussing the problems of hidden reserves in insurance company reporting, the same judge notes that Canada Life disclosed during the year some $12 million "in anticipation of mutualization", yet the report reveals that not all of the contingency reserves had been consolidated, and moreover that assets are still valued on the "customary conservative principles".

The judge commented: "Conservatism has its place. However, it is strongly suspect if it works against the equitable treatment of various groups of shareholders over different periods of time."

Power Corp., it was suggested, should have recorded the number of shares of each investment held in its portfolio, as well as market value. In this way, the analyst could compute real value at any time.

Eastern Canada Savings & Loan Co. won approval of its 10-year comparative summary of operating results, which provides the analyst with a quick look at the company's progress.

AUSTRALIA OFFERS
opportunities for industries

With its rapidly expanding local market and proximity to South-East Asian markets, Australia continues to provide opportunities for industries.

If you are interested in Australia and require industrial, economic, or market information, you are invited to use the comprehensive facilities of the Bank of New South Wales, the oldest and largest commercial bank operating in Australia, New Zealand, Fiji, Papua and New Guinea, with over 1,000 branches and agencies.

BANK OF NEW SOUTH WALES
ESTABLISHED 1817
Head Office: Sydney, Australia
International Division — John W. McEwen, Manager.

Face Big Bill For New Plane

MONTREAL (Staff) — The huge costs of defence are again plaguing Ottawa. Another $200 million price tag may soon be written.

Last month's visit by General Laurence S. Kuter, commander-in-chief of the joint U. S.-Canadian North American Air Defence Command, brought the latest problem into focus.

Kuter announced that if air defence was to remain effective Canada was going to have to replace its obsolete CF-100s.

Since then—in mid-November—speculation has been rife in both U. S. and Canadian aircraft manufacturing circles on what, if anything, Canada plans to do about it.

Observers feel it is significant that Kuter made his statement after his talks with the cabinet. It is considered unlikely that he would have mentioned it publicly if Ottawa had told him it had no intention of buying any more equipment.

If Ottawa had told him that we weren't going to buy anything else, his statement could only be interpreted as a pressure play intended to embarrass Ottawa into re-equipping. And those sort of tactics are not usually reserved for official goodwill visits.

What to do about new planes is a tricky problem for the Diefenbaker government.

It is now generally accepted in aviation circles that the original CF-100 replacement — the **Avro** Arrow—was axed because of its multi-million dollar cost.

But, at the time, Diefenbaker presented the cancelation of the project largely on its obsolescence in the missile age.

A decision to buy a new U. S. interceptor off-the-shelf, one that fills much the same bill as the Arrow, could present government opponents with rich pickings for the next defence debate.

One unconfirmed report from Ottawa has suggested that the U. S. might be prepared to supply the planes under some sort of gift arrangement.

Certainly U. S. planners appear worried enough about the sagging first line of defence to give such a proposal serious consideration.

But that would be a bitter pill for Canadian national pride, another Conservative strong point.

There are some 225 CF-100s in service in Canada and another 75 with the RCAF in Europe.

Assuming that a smaller force of more modern planes would do the job, airmen still estimate that over 100 of any new type will be needed. The least expensive of these promises to cost at least $1.3 million per plane.

The RCAF's planners have been thinking about a version of the F-104 Starfighter, already on order (as a fighter) to be built by **Canadair Ltd.** But the USAF has just announced it is withdrawing its Starfighters from North American defence duties early next year because they cannot fit into the complex new ground environment system without carrying equipment too bulky for the tiny fighter.

If the necessary "data link" equipment can be reduced in size to fit the Starfighter, Ottawa could add another 100 to the Canadair line at a relatively low cost per unit — supporting the Canadian aircraft industry into the bargain.

Presumably Canada would pay for redesigning the equipment.

If the equipment cannot be made to fit, there seems little alternative to ordering one of the larger U. S. interceptors already in service below the border.

Should Ottawa have it built in Canada, giving either Avro or **de Havilland Canada** a shot in the arm, or buy it off the end of a U. S. production line for minimum cost?

For the cabinet it becomes one more defence dilemma.

Airmen admit that the present CF-100 force, without enough speed to catch any modern bombers and lacking even the simplest of guided missiles, are rapidly becoming operationally useless. The considerable cost of keeping them flying promises no practical return from now on.

Some people certainly will say "junk them" and buy no replacement.

If the nine squadrons are disbanded, Canada loses any chance to investigate unidentified aircraft in its own airspace. Such flights would be carried out by U. S. formations that might be a good deal more trigger-happy than Ottawa would wish.

General Kuter left a strong impression in Canadian defence circles that another multi-million-dollar expenditure will be hard to avoid.

Three Trawlers Add to Booth's Fleet Expansion

Three Netherlands-built steel trawlers will be added next summer to the North Atlantic fishing fleet of **Booth Fisheries Corp.**

Booth Fisheries Canadian Co., a subsidiary, will take delivery of the 133-ft., 400,000-fish capacity vessels.

They will boost the Booth Red Diamond fleet to nine sea-going ships operating on North Atlantic banks.

Built by **D. en Joh. Boot N.V.** of Alphen aan den Rijn, the trawlers are part of a Booth expansion program, started last March with acquisition of a fish processing plant at Fortune, Newfoundland. Modernization of the plant will increase processing capacity to 35 million lb. fish annually.

With the new vessels, there will be four operating from Fortune and five trawlers out of Petit de Grat, N.S., where Booth has its second processing plant.

Beaver Buys, Sells Massey

The Beaver Club has switched from **Massey-Ferguson** 5½% convertible preferred into Massey-Ferguson common.

The fund manager states that the club sold its five shares of preferred at $103 per share and bought 25 common at $11⅝. Both transactions took place Nov. 25.

Comment on the latest trades will be contained in the fund manager's monthly report in next week's **FP.** Activities of the Beaver Club, a 21-member investment club, are covered regularly in **FP.**

Oxygen Plant Job To L'Air Liquide

Canadian Chemical Co., Edmonton, has awarded a contract for a large oxygen (tonnage type oxygen plant) to **L'Air Liquide,** manufacturing affiliate of **Canadian Liquid Air Co.,** Montreal.

Amounting to nearly $1 million, the contract was won in the face of competition from U. S. and German firms.

A double cycle Air Liquide installation, the plant will produce 160 tons of oxygen per day for use in oxidation reactions in the production of a wide range of chemicals.

It is expected to go on stream in August, 1960.

NETHERLANDS-built trawler for Canadian fleet.

Cdn. Celanese May Earn $1.50, Offers New Blanket Fibre Soon

Montreal (Staff)—Before the year-end **Canadian Celanese Ltd.** — the nations's big acetate maker — expects to market a new synthetic fibre designed specially for manufacture of blankets and several other textile products.

The new blankets, **FP** understands, will be produced by Celanese at the former **Slingsby Manufacturing Co.** plant, Brantford, Ont., acquired in February.

The move is part of Celanese's continuing program to develop new products or profitable new uses for existing lines, according to President C. W. Palmer.

So far this year, this policy appears to be paying off handsomely.

For the full year 1959 net profit is estimated at $2.6 million to $2.7 million, barring any unforeseen, adverse factors in November or December operations.

This would represent earnings in the vicinity of $1.50 per common share.

In 1958 company's net profit was $2,263,353, equivalent to $1.18 per common share.

Better financial showing this year, Palmer says, is due to the effect of new product lines such as carpets and carpet fibre which are more profitable for the company than the established staple lines.

Late last month, company raised quarterly dividend rate from 20c to 25c and hiked the year-end extra to 15c from 10c.

Sales, Palmer says, are running 5% to 10% ahead of last year.

NEW PEACH VARIETY

An early-ripening peach variety, Royalvee, has been developed by the Horticultural Experimental Station at Vineland, Ont. Named in honor of the visit of Queen Elizabeth II to Canada this year, Royalvee is largely the result of work by research scientist O. A. Bradt. The new tree will be in short supply until 1961.

Unions Halt Construction In Hamilton

Hamilton Building Trades Council has failed in a strong bid to crack construction union policy of honoring picket lines of sister unions.

Despite council efforts, 8,000 workers followed 850 carpenters off the job, tieing up $25 million in building projects by a strike now entering its third week.

There are suggestions that influence of union headquarters in the U. S. helped scuttle the council's efforts.

The council warned member unions to continue work despite the carpenters' strike. Opposition developed in some unions and electricians and bricklayers refused to cross the carpenters' lines.

Last week builders and contractors closed down all work in Hamilton and district.

The striking United Brotherhood of Carpenters and Joiners have reduced demands from a 50c hr. package to 40c. Companies offer 30c, recommended by a conciliation board.

St. Law. Cement Offer Fails

St. Lawrence Cement Co.'s bid to gain control of Standard Paving Co. (**FP,** Oct. 31, Nov. 7), has failed.

A company official says that insufficient shares were deposited under the offer which expired Dec. 1.

Company was seeking to buy a minimum of 500,000 outstanding shares at $24 per share.

All shares deposited under the offer will be returned to the shareholders concerned.

ANNOUNCEMENT

NORMAN J. BENNETT

Norman J. Bennett, Montreal, whose promotion to the position of general sales manager, Medical Products Department, Cyanamid of Canada Limited has been announced by Joel R. Brown, Jr., department manager.

In his new position, effective December 1, Mr. Bennett will be responsible for the marketing of Lederle and Surgical products. He replaces J. Keith Deay who has been transferred to Cyanamid International in New York.

PARK PLAZA FLORISTS

Courtesy parking for customers in hotel garage

Flowers to all parts of the world

Special attention to Commercial and Industrial requirements.

24 HOUR SERVICE

Phone WA. 3-6361

8-10 Avenue Rd., Toronto

ANNOUNCEMENT

NEW RCA VICTOR DIRECTORS

D. DOHENY, Q.C.

J. GERALD GODSOE, C.B.E.

P. J. Casella, president, RCA Victor Company, Ltd., announces that at a special general meeting of the shareholders held at the head office in Montreal on November 19, Daniel Doheny, Q.C., and J. Gerald Godsoe, C.B.E., LL.D., were elected as directors of the company.

Mr. Doheny, a partner of the Montreal legal firm of Bourgeois, Doheny, Day & Mackenzie, replaces the late Aubrey H. Elder, Q.C., who served for many years as a director of the company.

Mr. Godsoe, a well-known Canadian business man, is also director of the Crown Life Insurance Company; Dominion And Anglo Investment Corporation; The Great Western Garment Company and other companies.

COX of CANADA

OFFICES FROM COAST TO COAST

PREMIUMS HIGH? WHY?

Let us analyze your insurance program WITHOUT OBLIGATION CALL THE NEAREST OFFICE

COX INSURANCE AGENCIES LIMITED

VANCOUVER • VICTORIA • EDMONTON • CALGARY • PRINCE ALBERT SASKATOON • REGINA • WINNIPEG • TORONTO • HAMILTON LONDON • PETERBOROUGH • OTTAWA • MONTREAL • SYDNEY HALIFAX

Your Annual Report ...is it an expense ...or an investment?

Your Annual Report is an important medium of communication. It presents to public scrutiny your Company's record for the year. Does it adequately and properly reflect your Company's stability and progress? Does it contain all pertinent information? Is that information presented in the most acceptable, easily adaptable and usable form for financial reporting? Are the sales promotion opportunities of the Report recognized and utilized?

Your Report should be an INVESTMENT in good company relations wherever it is distributed.

How to make the most effective use of the Annual Report is the subject of a book we will be glad to send to you without obligation. "Capitalizing the Annual Report" was written for SNP by a well-known authority on Canadian financial matters. For your copy, fill out and send in the coupon below, or telephone Hedley Cross, sales manager, Saturday Night Press, (EM. 2-3981).

s*n*p

Please send me a copy of your booklet "Capitalizing the Annual Report".

Name and Title

Company

Street

City and Province

Saturday Night Press 15 DUNCAN STREET, TORONTO 1.

Specialists in planning, writing and producing Annual Reports.

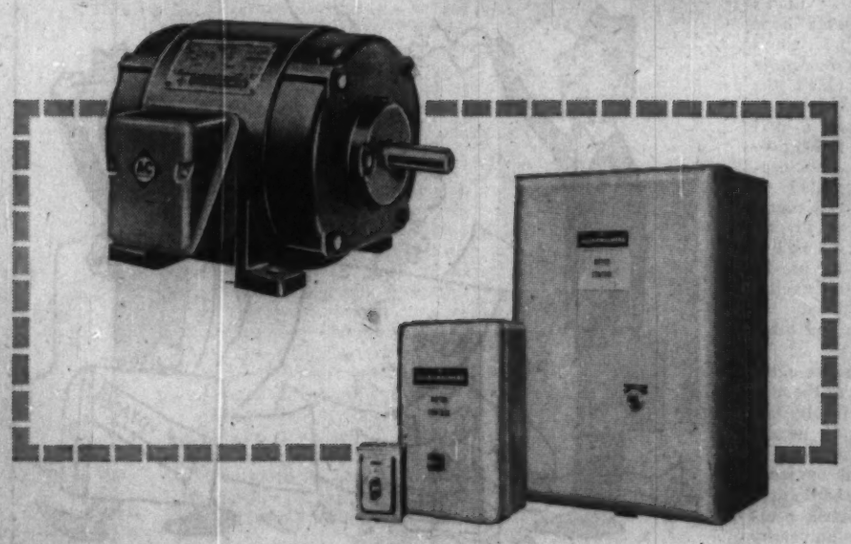
● THE BUSINESS CLIMATE

As a steady reading diet, The Financial Post is a nourishing source of accurate information. It brings you informed comment on today's market and business climate, helps you to work more efficiently, to plan wisely, to profit.

Yearly by mail in Canada $8; elsewhere $9 yearly

SUPER SEAL

NOW AVAILABLE THROUGH CANMARK SERVICES LIMITED



Announcing:

Canadian Allis-Chalmers Limited has appointed Canmark Services Limited as national distributor of electric motors and motor control, with particular emphasis on the new line of "Super Seal" motors.

Canmark Services Limited, is a unique organization in the marketing field. It includes facilities from coast to coast for the sale, warehousing, installation and servicing of electrical equipment. It consists of an affiliation of separate distributing companies, listed at right.

This new appointment will mean ready availability of well-known Allis-Chalmers products to industry throughout Canada.

CANADIAN ALLIS-CHALMERS

59-M-10

CONTACT THESE NEW CANMARK DISTRIBUTORS:

NOVA SCOTIA ARMATURE WORKS LTD., 8 Poplar Grove, Halifax, N.S.

H. ROBERGE INC., 241-245 St. Vallier Est., Quebec 2, P.Q.

AINSWORTH ELECTRIC CO. LTD., 131 Bermondsey Road, Toronto 16, Ont.

BLENKHORN & SAWLE LTD., Grantham Avenue, St. Catharines, Ont.

SUTHERLAND-SCHULTZ ELECTRIC CO. LTD., 124 Ottawa St. South, Kitchener, Ont.

NORTHLAND MACHINERY SUPPLY CO. LTD., P.O. Box 219, Fort William, Ont.

LUKE'S ELECTRIC MOTORS & MACHINERY CO. LTD., 318 Notre Dame Avenue, Winnipeg 2, Man.

ELECTRICAL CONTRACTING AND MACHINERY CO. LTD., 1835 - 10th Avenue S.W., Calgary, Alberta.

PETERSON ELECTRICAL SALES LTD., 890 East Hastings St., Vancouver 4, B.C.

WAFFLE'S ELECTRIC LTD., P.O. Box 183, Windsor, Ont.

DONAT PIETTE, 75 North Bourget St., Joliette, P.Q.

LEDUC ELECTRICAL LTD., 4405 Iberville St., Montreal, Que.

J. H. SAUVE & FILS, 238 St. Laurent, Valleyfield, P.Q.

SURGESON ELECTRICAL LTD., 18 - 3rd Street East, Cornwall, Ont.

E. M. S. ELECTRICAL LTD., 22 Hamilton Avenue, Ottawa, Ont.

KEITH HAY ELECTRIC, 501 Frontenac Street, Kingston, Ont.

ELECTRIC MOTOR SALES & SERVICE CO., 57 Cannifton Road, Belleville, Ont.

TOLL-MORRIS ELECTRIC LTD., 88 Fullerton Street, London, Ont.

DELTA ELECTRIC SERVICES, 406 Front Street North, Sarnia, Ont.

HARLOCK-SCHULTZ ELECTRIC LTD., 9 Nottingham Street, Guelph, Ont.

ORSER ELECTRIC LTD., 24 West Street South, Orillia, Ont.

ALGER-LECKIE ASSOCIATES LTD., 110 Main St. East, North Bay, Ont.

Consult:

COOPER APPRAISALS LIMITED

Appraisal of
BUILDINGS
MACHINERY
EQUIPMENT

696 Yonge Street
TORONTO, ONTARIO
Telephone WA. 4-8761

Years of Experience from Coast to Coast

ANNOUNCEMENT

LIQUID AIR APPOINTMENT

D. F. McLEOD

Canadian Liquid Air Company announces the appointment of Mr. D. F. McLeod as Manager of the Purchasing and Stores Department. Mr. McLeod joined Liquid Air in 1948 and served, since 1951, as Manager of the Gas Welding Products Division. He is a member of the Corporation of Professional Engineers of Quebec, the American Society for Metals and the Canadian Welding Society.

Universities Watch McGill Finance Plan

Imaginative students worked out this capital-gain-plus-income investment fund scheme . . .

MONTREAL (Staff)—A unique investment experiment in educational finance is exciting university money men.

If it works out—and there is much optimism—it could chip a good-sized chunk from the problem of financing the operation and expansion of our universities.

Money worries are on the rise, as society's need for higher education shoots up.

To erase some of these worries, this is the idea worked out over a two-year period by a group of imaginative McGill University students:

Create an investment fund from yearly contributions of graduates over a period of 25 years; aim for both capital gains and income, allowing yourself considerable investing flexibility and being guided by professional advice.

McGill's medical class of 1960 hopes the result will be a gift of $100,000 to their faculty in 25 years.

Even more important: Other McGill medical classes probably will be interested in something similar. So may other McGill faculties and graduates of other Canadian universities.

If all medical classes proved able and willing to set up funds producing $100,000 in 25 years, this would be the equivalent of a $2 million endowment.

It also attacks a worrisome problem.

Universities and their more mature students have been disturbed by the long-run decline in the value of the dollar.

Money collected over a period of years turns out to be inadequate for the purpose originally envisioned.

This discourages donors.

BECKER

Erosion of money's value has also contributed to the failure of insurance as a fund-raising method. The insurance idea once seemed a good one. College men took out policies which they cashed in after a period of years, with the money going to their university.

But one major insurance company says:

"We have come to the conclusion that this use of life insurance is something less than satisfactory from the viewpoint of the college, the graduate and the insurance company."

This difficulty started an idea churning in the minds of two young U. S.-born McGill medical students.

Why not utilize common stocks—not ruling out other investments—as a means of attempting to compensate for a decline in money's value? This was the question thrashed out by Robert E. Becker and Robert Fortuine, both 25 and now in their eighth year at university and last year of medicine at McGill.

With help from the university and fellow medical students, they concluded that an investment fund would be practical.

It would have these additional advantages:

- **Most students** — particularly medical students—are short of money in the early years following graduation, affluent later. They can contribute whatever they can afford.
- **This, combined with the nature of the fund,** should help keep interest high and constant.
- **Steady interest** should mean a comparatively large contribution per head toward a 25-year gift.

Becker and Fortuine were members of a student committee formed to probe the idea.

FORTUINE

It concluded:

"It is the hope of this committee that the (investment fund) program suggested in this report will be adopted for use by our class and by other classes in this and other faculties.

"We wish to emphasize again that the future needs of the university and of each faculty can be provided for only by generous voluntary contributions of all alumni . . . and by some complementary program to save toward future long-term projects by which the university grows."

The new-born class of '60 fund presently has $367 invested in Canada Savings bonds. This was collected in the students' junior year.

From this modest start, McGill feels, may grow important big-money results for itself—and, possibly, other universities which have shown interest in the idea.

The fund committee makes these estimates of what would have happened had a class of 100 graduated in 1933 and adopted the investment fund idea:

If the contribution had been $10 per student per year, and had gone into a certain investment fund, with earnings reinvested, the return at the end of 1957 would have been $77,000.

In the same period purchasing power of the dollar was cut in half.

With the decision made in favor of a flexible investment policy — rather than complete commitment, say, to one mutual investment fund—a hot question arose. Who does the investing and how?

The answer: Seek the advice of the top business and investment men willing to offer advice to McGill. The class is to be represented on the investment committee.

Members of the class who contribute become members of the McGill Medicine '60 Fund. They elect a board of directors, hold general meetings every five years.

From the Graduates' Society they choose a business manager.

This post has gone to D. Lorne Gales, a 1935 graduate of McGill and general secretary of the Graduates' Society.

FOLDING MACHINE

Roneo Co. of Canada, Toronto, has introduced a fully automatic folding machine that features an adjustable conveyor belt stacker.

Packs Ease Yule Stamp-Buy Crush

Postage stamps in $1 packs—tested last Christmas—will be offered again this year on an expanded basis by Post Office Department.

The packs, one containing 2c stamps, the other 5c stamps, are on sale at large urban post offices now.

Postmaster General William Hamilton explains the scheme is for convenience of customers, to help ease the last-minute line-ups at wickets. Last year's trial of the packaged stamps led to earlier purchases for Christmas mailings.

with a long-distance call

Nothing is better than actual conversation to clear up out-of-the-office business problems quickly, easily, completely. To get the vital information you need, to reach a client or out-of-town contact fast—just pick up the telephone! Long Distance provides the complete solution to almost any business communications problem in a matter of seconds! Let Long Distance take the pressure off you!

Improve your business
The advantages of the "Call Collect Plan" and "Conference Calls" will be quickly explained by your telephone company representative. Call your telephone company business office today.

TRANS-CANADA TELEPHONE SYSTEM

Nation wide Telecommunication Service

Next time you go to hospitable

GERMANY

combine business and pleasure on and off the beaten track

Ask for illustrated folders

GERMAN TOURIST INFORMATION OFFICE
1176 Sherbrooke W., MONTREAL, P.Q. — VI 2-9614

Excellent Office Facilities in Downtown Edmonton

are available in the

MILNER BUILDING

10040 - 104th Street

Edmonton's fully modern, fully air-conditioned and finest office building has space available for companies interested in a central downtown location.

Ready for immediate occupancy are 3½ floors, each floor with 11,740 square feet which will be sub-divided to suit acceptable tenants. Completely modern facilities include natural gas heating and air-conditioning throughout; spacious entrance and lobby area; four high-speed automatic elevators.

Choice ground floor space for retail store, or business office also available.

The Milner Building is headquarters for two of Alberta's major utility companies.

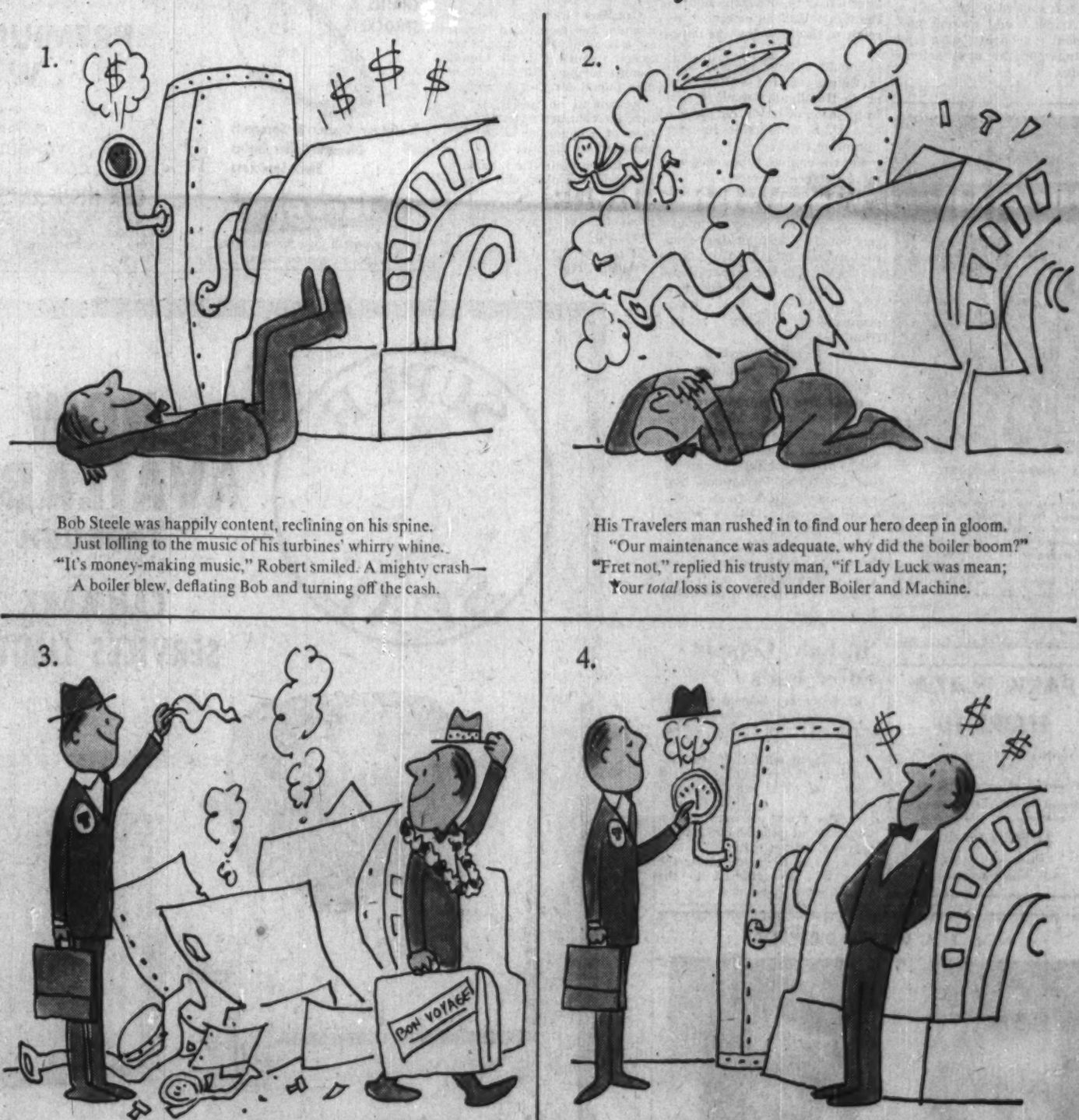
Address all enquiries to:

"The Milner Building"

NORTH WEST FIDELITY TRUST CO.

10040 - 104th Street,
Edmonton, Alta.
Tel: GArden 4-0281

Bob discovers a new kind of safety valve



1. Bob Steele was happily content, reclining on his spine.
Just lolling to the music of his turbines' whirry whine.
"It's money-making music," Robert smiled. A mighty crash—
A boiler blew, deflating Bob and turning off the cash.

2. His Travelers man rushed in to find our hero deep in gloom.
"Our maintenance was adequate, why did the boiler boom?"
"Fret not," replied his trusty man, "if Lady Luck was mean;
Your *total* loss is covered under Boiler and Machine.

3. "We pay the costs to make repairs, to clean up all the mess,
Your fixed expenses, normal profits are assured, no less!
So while the work progresses, navigate the bounding main."
"A marvelous idea," Robert cried, "auf wiedersehen!"

4. Now Bob is back, his plant intact, his future glad and free;
Cash registers and turbines join in cheerful harmony.
Why let ill fortune ruffle *you?* See Travelers 'fore it pops—
For even *pampered* boilers and machinery blow their tops!

Serving Canada since 1865

THE TRAVELERS Insurance Companies

Offices in: Calgary • Edmonton • Halifax • Hamilton • London • Montreal • Ottawa • Quebec • Toronto • Vancouver • Winnipeg •
All forms of business and personal insurance including Life • Accident • Group • Fire • Marine • Automobile • Casualty • Bonds

IN TORONTO

the choice of the discriminating

Over 500 magnificent outside rooms.
Underground private garage.
Superb cuisine and service-that is a tradition.

The Park Plaza Hotel

Fashionable Avenue Road at Bloor Street
For reservations telephone: WAlnut 4-5471

17-15s

Woods, Gordon & Co.

Management Consultants

PARTNERS:
W. L. GORDON G. P. CLARKSON J. A. LOWDEN E. B. CHOWN
G. B. BAILEY R. P. BODDY J. A. BROWN
G. B. DONALDSON D. L. GORDON H. B. GUILFOYLE
R. O. MOORE H. W. ROWLANDS R. J. SHIRLEY
A. N. STEINER D. M. TURNBULL D. B. WATSON

CONSULTING PARTNERS:
J. D. WOODS R. PRESGRAVE

MONTREAL TORONTO VANCOUVER

Members of Association of Consulting Management Engineers, Inc.

How Our New 'Labor Party' Is Shaping Up

MONTREAL (Staff) — Canada's embryo "Labor Party" seems much more sure about what it won't stand for than what it will.

During the last few months its backers have been busy trying to decide upon the kind of party which could be expected to offer the Canadian voter a workable alternative to the present Liberal - Conservative choice.

Canadian Labor Congress President Claude Jodoin says the new party should give the voter a chance to back a "left-of-centre party, one that will fill the gap for people who are tired of two separate parties with virtually the same policies." But the CCF has been left-of-centre for years.

Last week in Montreal another senior labor figure, Roger Provost, president of the influential Quebec Federation of Labor, set out his views.

The new party, he told some 500 delegates to QFL's annual convention, should not represent a single class.

Instead, he explained it should combine labor, farm, merchant, professional and other segments of the population.

This definition didn't really satisfy the once enthusiastic union supporters of the new party, nor observers of the political scene who are still anxious for the first clear picture of what the new force might look like — if it ever gets into operation.

However Provost's rather general references to the party makeup do have significance.

In the last few years of Premier Duplessis' lifetime, organized labor in Quebec seemed to many observers to be the most likely group to spearhead a union advance on the political front.

Labor was angry at what it claimed was open "collusion" between Duplessis and "big business" to trim the power of unions in French Canada.

It was this sentiment more than any other single factor that ended the long war between QFL—which represents Canadian Labor Congress and the big international unions — and Canadian & Catholic Confederation of Labor, with its roots deep in French Canada.

With a common enemy in Duplessis, they found they could work together.

And they did work closely in a campaign to get labor into the provincial political field. Next summer's election was target for the first trial of strength.

At that time there was no doubt in union planners' minds that the new political force was to represent and support the interests of the unions.

However Premier Sauvé seems, on the surface, to be a man willing to give labor many of the things it wants.

He has promised new legislation to trim the power of employers to break up union bids to sign employees by simply dismissing the organizers.

It will be some time before labor will know for sure just what sort of a new deal it can expect from Quebec City.

Meanwhile, most of the wind seems to have left labor's political sails in the province.

Provost no longer speaks of a union party as he, and most other union leaders, did only a year ago.

Labor leaders who oppose supporting a new party have taken the line that unions have much more flexibility, and strength, if they can bargain with any and all parties as independent bodies.

To be attached to one party in opposition, or even in power, must inevitably weaken its bargaining position with the others.

It is this thinking that has led to the slightly Alice-in-Wonderland thinking of Canadian Labor Congress which, somehow, plans to stay outside the new party while its member-unions will be urged to join.

Thus, the reasoning goes, it will be non-political.

Yet CLC has no real power in itself — and is only the representative voice of its members.

If organized labor isn't going to serve the new party as its predominant element — supplying the funds, brains and organization — observers find it hard to see where the labor party will differ from the bruised but still breathing CCF.

Labor has previously given CCF its blessing at election time without much result.

The more its backers discuss the new party, the more it seems to be the CCF with a new name.

CCF Backs Stinson In Manitoba

From Our Own Correspondent

WINNIPEG—Manitoba's CCF party re-elected Lloyd C. Stinson as provincial leader in Winnipeg last week and firmly hitched its political hopes to the "new party" star.

In the process, top party officials smothered a bid by a CCF "ginger" group from the city's Inkster constituency, which was attempting to replace Stinson with A. Russell Paulley, the party's legislative leader.

The party split, which was revealed a few days before the provincial convention, was bridged when Stanley Knowles, former CCF deputy leader, and now executive vice-president of the Canadian Labor Congress, told the Manitoba party that the CCF, as now organized, has no hope of gaining power nationally.

The only hope for CCFers, he said, was merger with the new party, supported by the labor movement, farm groups and "liberally minded people".

Stinson, a firm advocate of the new party plan, lost his own seat in the last provincial election.

Knowles' strong stand for complete commital to the new party plan smothered the bid to unseat Stinson.

In addition, Stinson had the backing of Alistair Stewart, former MP for Winnipeg North, who controls the party organization in the north end of Winnipeg where the CCF's main support lies.

Paulley will continue as CCF leader in the legislature.

Saskatoon Firms To Plan Parking

From Our Own Correspondent

SASKATOON—New buildings proposed for the city's commercial areas may not be approved unless provision is made for off-street parking.

In 1954, the city's planning department moved for this measure, but the Planning Commission rejected the idea. Now it appears as if the proposal may be implemented.

The deck is cleared for action...

In this production-designed Butler building

Up out of the way are heating and ventilating fixtures, lights, bus ducts and cranes. All floor space is reserved for employees, their machines and materials handling equipment. This is a plant geared for production.

This is a Butler building—all 222,000 square feet of it. It belongs to Flick-Reedy Corp., Chicago, whose Miller Fluid Power division manufactures air and hydraulic cylinders. Frank Flick, president, says the working conditions in this building promote employee comfort, safety and convenience. This spells high morale, a key factor in quality production.

Flat roof structures have no such natural accommodation for fixtures, which swoop low overhead, or occupy important floor space. Butler industrial buildings, such as Flick-Reedy's, have the muscle to support heavy cranes and hoists. No need to resort to obtrusive floor cranes, or shore up overhead craneways with bulky, costly reinforcements.

You won't find heavy, expensive interior partitions in Flick-Reedy's production area. Powerful Butler rigid frames support the roof, and span wide, column-free areas. Interior supporting walls are superfluous. This is more than a major economy. It provides a spaciousness that employees like, an openness that means safety, convenience, efficiency.

There's more. Butler offers two new superior curtain wall panels: Butlerib, a handsome, precision formed panel of great strength, and Monopanl, an exclusive factory-insulated panel – both in factory-applied colors. You'll like them. Consult your Butler Builder (in the Yellow Pages), or write direct.

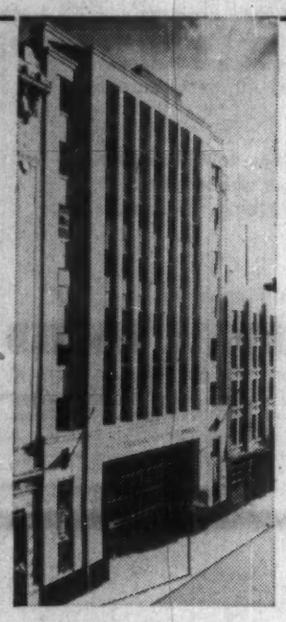
Made by Canadians with Canadian Material

BUTLER

BUTLER MANUFACTURING COMPANY (CANADA), LTD.

3435 Queen Elizabeth Way, Burlington, Ontario

Manufacturers of Metal Buildings • Equipment for Farming, Oil Transportation, Outdoor Advertising • Contract Manufacturing



Regional Head Office
309-8th Avenue West, Calgary
Petroleum and Natural Gas Department
C. H. Munro, Manager

Keep up to date with Canada's OIL or GAS ACTIVITIES

Current exploration and development of Canada's petroleum industry are constantly followed and carefully analyzed by our Petroleum and Natural Gas Department at Calgary. The department's detailed map coverage, technical data, statistical records—and still more important, its skilled personnel, including a geologist and petroleum engineer, men who *know* the oil industry—are at your service.

Services of our Petroleum and Natural Gas Department are available in Calgary or can be obtained for you through any of our branches. For information on any phase of the Canadian petroleum industry, please send your letterhead request for our complete and up-to-date review of developments. It contains our latest map, statistical data on the principal Canadian oil and gas fields, and a summary of the special services we offer to the industry.

(The Bank does not advise on the merits of oil or mining securities)

THE CANADIAN BANK OF COMMERCE

MORE THAN 800 BRANCHES ACROSS CANADA

Branches outside Canada — London, England • New York • San Francisco • Los Angeles
Seattle • Portland, Oregon • The West Indies • The Bahamas
Resident Representatives — Chicago, Illinois • Dallas, Texas
European Representative — Zurich, Switzerland
Banking Correspondents — Throughout the World

E-109

First Oil & Gas Decrease 7.8%

First Oil & Gas Fund Ltd., Calgary, Alta., net asset value per share was $4.14 at Oct. 31, 1959, a decrease of 7.8% from $4.49 at June 30, 1959.

FP, Nov. 21, incorrectly reported the fund's net asset value per share at Oct. 31, as $4.64.

QUETICO FOUNDATION

Most recent addition to the roster of organizations represented in the Conservation Council of Ontario is the Quetico Foundation. The Foundation has concerned itself particularly with the preservation of wilderness parks in Ontario.

She keeps tabs on 8372 tank cars

She knows the whereabouts—the contents—of every tank car in this tremendous fleet. She, and others like her, maintain our accurate Car Record system that keeps tabs on Canada's largest tank car fleet.

Whether you ship petroleum products, chemicals, compressed gases, edible products or any other bulk liquid, Products Tank Line offers you unequalled service—

- 5 strategically located repair shops across Canada
- Canada's only wholly-integrated tank car building facilities
- Unique per diem leasing for petroleum shippers
- Canada's largest tank car fleet

PRODUCTS TANK LINE OF CANADA, LTD.

181 Bay Street, Toronto, EMpire 3-9406

Repair Shops: Edmonton, Regina, Oakville, Montreal, Halifax

Divisions: Sparling Tank & Mfg. Co., *Fabricators and Erectors of Steel Plate Products* • Graver Water Conditioning Co., *Water Treatment and Chemical Process Equipment* • The Lindsay Company, *Home-owned Water Softeners* • Smith & Loveless Company, *Factory-Built Sewage Lift Stations and Treatment Plants.*

Mutual Funds Still Showing Stock Caution

By VINCENT EGAN

Caution is still the key word in the investment decisions of mutual funds, to judge by the trading by 10 leading mutual funds in Canada during the latest quarter. (See table p. 36.)

Purchases of common stocks continue to outnumber sales — by 63 to 44.

But, for the second consecutive quarter, the number of purchases declined and the number of sales increased.

The latest quarter was the third in succession in which the total number of equities traded by the 10 funds declined.

In second-quarter 1959, the same 10 funds bought 79 commons, sold 41.

Once again, "defensive" stocks were favored in the latest FP compilation of portfolio transactions of six leading Canadian mutual funds and four other funds owned chiefly by U. S. investors.

The funds were net purchasers of stocks of six banks and eight public utilities, and sellers of two and four, respectively.

Apart from the defensive issues, equities of companies in the forest products industries were again favored by the managers of most of the 10 mutual funds. On balance, there were 10 purchases and four sales in this category.

Mutual Accumulating Fund and **Scudder Fund** accounted for most of the purchases in this group. Of the seven other funds which traded stocks of the forest products enterprises, three were sellers only.

Favorite purchases, bought by four funds each, were **Algoma Steel, Canadian Oil Cos., Bank of Montreal, International Nickel** and **Steel Co. of Canada.** The first two of these were also sold by one fund each.

Eight stocks were the purchase selections of three funds each — **Royal Bank, Abitibi** (both sold by one fund), **St. Lawrence Corp., Interprovincial Pipe Line, British Columbia Power, Shawinigan Water & Power, Atlas Steels** and **Aluminium Ltd.** Two funds sold Aluminium Ltd.

Most frequently purchased security of all was not a stock but rather a debenture. No less than half of the 10 funds bought a total of $775,000 **Simpsons Ltd.** 5½% 20-year convertible debentures, $10 million of which was offered at par during August.

Most active funds, in their common stock dealings, were **Commonwealth International** with 30 transactions, **Canadian Investment Fund** with 28, and Scudder Fund with 26.

On the debt side of the portfolio, however, **Investors Mutual** was the busiest of the 10 funds, with nine purchases and four sales of government obligations of various maturities, and one purchase and four sales of corporation bonds.

PIPE LINE V-P PATTINSON
Knows good valves, gets them.

"We always specify Emco-RegO cylinder valves; we've used over 30,000 at Central in our propane operation", states Vice-President Hulme Pattinson of Central Pipe Line Co. Limited, Aylmer. "We insist on RegO—they are Canadian-engineered for cold weather reliability, and without exception we have had trouble-free service".

Emco Limited, London, Canada

Third Qtr. Profit Down 3% IAC Says Outlook is Good

MONTREAL (Staff) — With business volume of parent company and subsidiaries continuing to increase, outlook for fourth quarter results of **Industrial Acceptance Corp.** is encouraging, according to President J. H. Ranahan.

In the nine months ended Sept. 30, net profit was $7,650,257, up fractionally from $7,638,094 in corresponding 1958.

This represents earnings of $2.52 per share on the basis of 2,761,358 common shares outstanding compared with $2.55 last year when 2,718,352 shares were outstanding.

Third quarter earnings applicable to common shares were $2,471,088 or 89.4c per share compared with $2,544,998 or 93.6c last year. Third quarter earnings exceed those in the second quarter by 8.9%.

"Despite the effect of the steel strike in the U. S. which eventually interferes with the manufacture of most of the products financed by your company, the volume of business of the parent company and the subsidiaries continues to show an increase over the same period last year and, as a result the outlook for the fourth quarter is encouraging," Ranahan said in the quarterly report to shareholders.

Increase in expenses, he notes, is due to the operations of company's two most active subsidiaries which continue to make a growing contribution to consolidated earnings.

Here are the nine months' results in detail:

First nine months	1959 $	1958 $
Earned income	49,537,952	45,397,801
Less: Int. on demand & term notes	11,512,720	9,036,842
Insurance losses, claims	5,672,352	5,274,358
General & admin. exp.	14,917,748	13,786,379
Interest on debs.	2,420,712	2,288,967
Income taxes	7,664,163	7,373,161
Net profit	7,650,257	7,638,094

Tennis Stars Plan World's Biggest Indoor Tennis Club

MONTREAL (Staff)—A plan is afoot to parlay a hangar, a plot of land and about $200,000 into the largest indoor tennis club on the continent.

Behind the plan are 10 tennis players, most of them stars of Canadian Davis Cup teams.

They have their eyes on land in west-end Montreal and are negotiating for the hangar. FP understands they have two offers.

The hangar will accommodate four doubles courts, surfaced with a dark green cork linoleum composition with inlaid white lines. Similar floors have been used in gymnasiums.

Plan is to construct a clubhouse, linked with the remodeled hangar, which will contain restaurant, lounge, game rooms and health rooms.

Membership target is 300 and, according to Managing Director Ellis Tarshis, there already have been 150 enquiries.

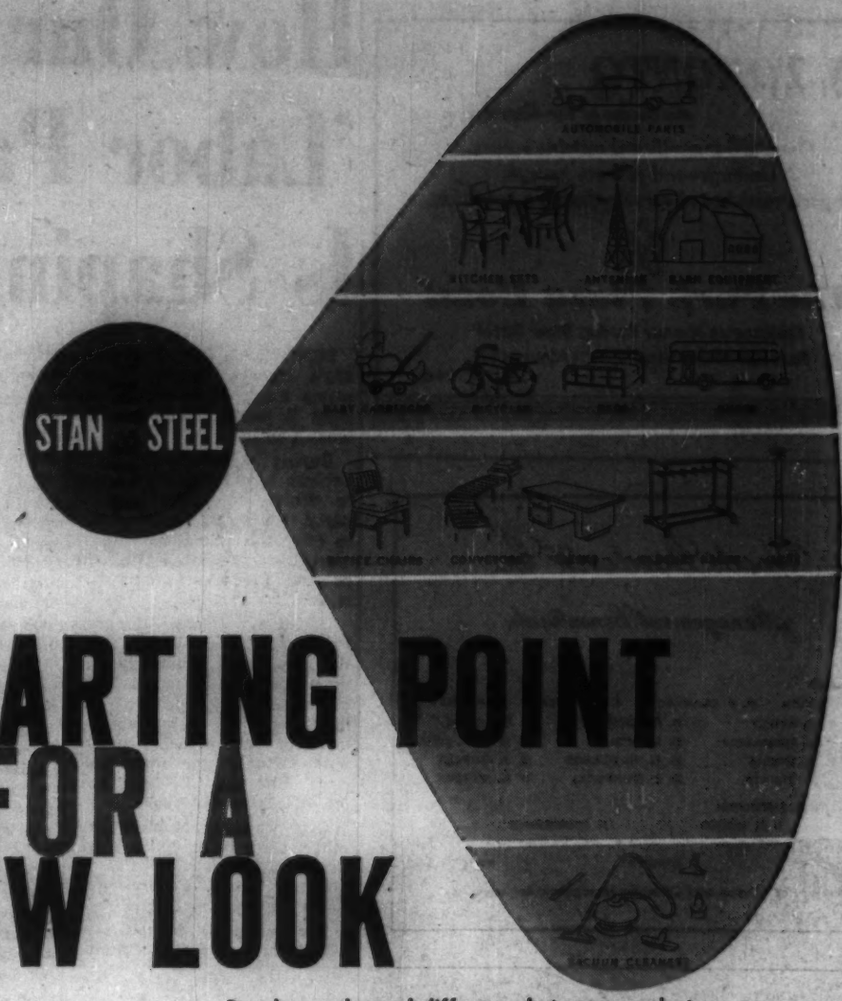
On the board with Tarshis are Bob Bedard, Dr. Georges Leclerc, Bren Macken, George Robinson, Paul Bedard, Lorne Main, Leo Choquette, Edgar Lanthier and Marcel Tremblay.

McGill Engineers Get New Building

MONTREAL (Staff) — McGill University this week opened a major addition to Canada's facilities for engineering instruction.

Gov.-Gen. Georges Vanier officially opened McGill's $3 million McConnell Engineering Building, which features:

- **A computer centre** housing the university's IBM 650 digital computer.
- **The electrical department,** having an analogue computer.
- **One of Canada's main centres** for acoustical research.



STARTING POINT FOR A NEW LOOK

People are the real difference between products, because of one precious ingredient — imaginative planning. New advancements, new improvements in product design are all possible through the versatility of welded steel tubing.

If it's improved performance ratings, lower assembly costs, or better product appearance wanted, your starting point can be STAN STEEL tubing. Please consult with us.

STANDARD TUBE STANDS FOR ALUMINUM TOO! Sheet, Bar, Extrusions, Tube and Wire—available in any quantity.

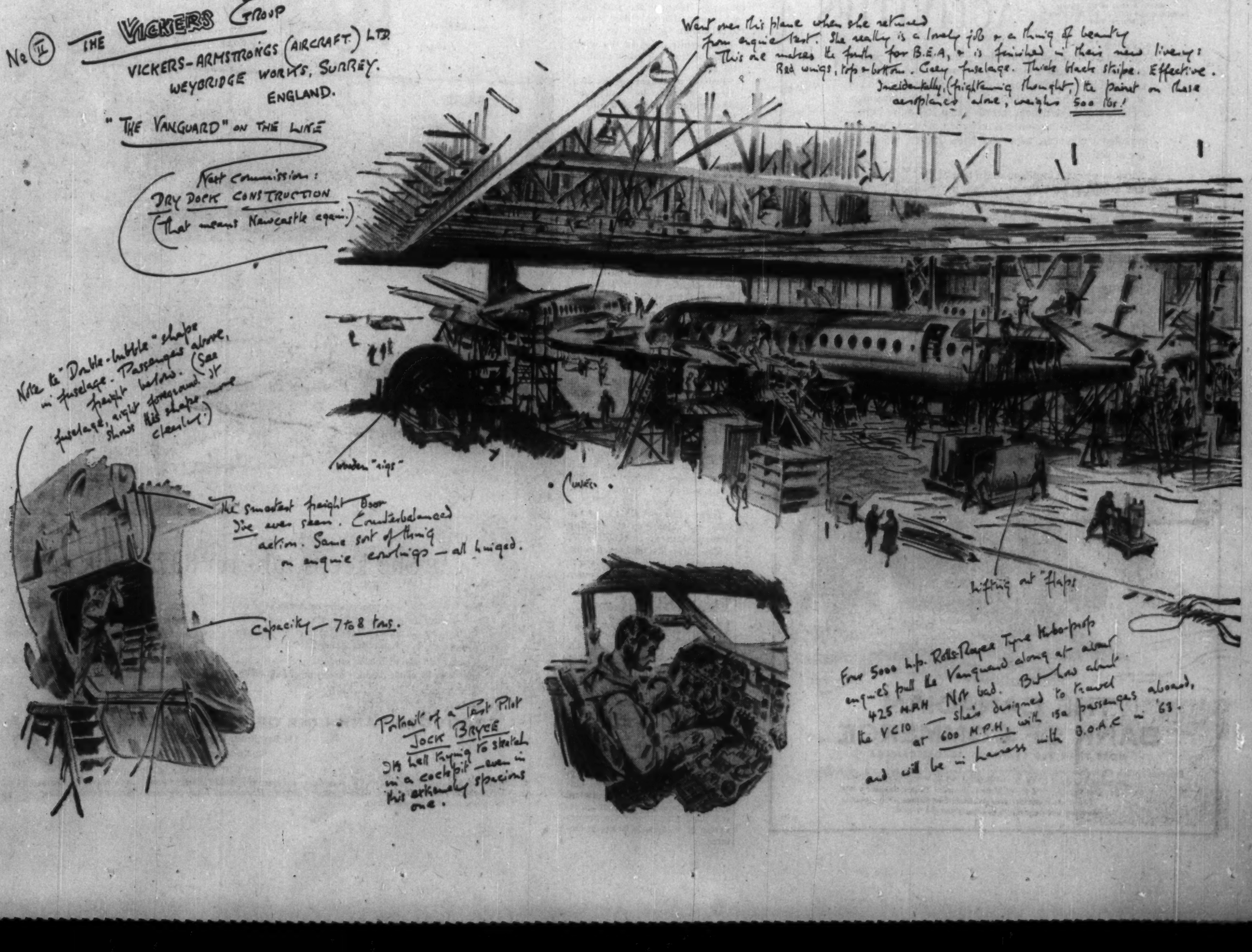
Write or phone for immediate service

STANDARD TUBE AND T. I. LIMITED

WOODSTOCK • HAMILTON • TORONTO • OTTAWA • MONTREAL

WELDED AND SEAMLESS STEEL TUBING MATERIALS HANDLING EQUIPMENT SCHOOL AND NESTING FURNITURE

Member of Formed Steel Tube Institute



Canada Gives U.S. List Of Items For Tariff Cuts

OTTAWA (Staff) — The government has given the U. S. lists of commodities on which Canada would like to negotiate reductions of U. S. tariff at the next GATT conference.

Here are items with effective rates of U. S. duty:

- **Feeder cattle 10%.**
- **Groundfish** in frozen block 10%.
- **Cow and calf leather, 7½% to 12½%.**
- **Potatoes 45%.**
- **Whisky 25%.**

Although negotiations won't begin until January, 1961, we have already told the U. S. what we want because U. S. procedures for reducing tariffs are lengthy and complicated.

A list which includes every possible item which could be used in trade bargaining is first compiled, then published. Months of public hearings by the U. S. Tariff Commission follow to determine how deeply the tariffs on the public list may be cut.

Canada has tried to get items in which we're interested onto the list which will be published in January.

In GATT negotiations with the U. S. we'll concentrate on raw material items on which tariff rates are above about 10%.

Under their Trade Agreements Act, the U. S. can cut tariffs by only 20% of any given level over the next three years.

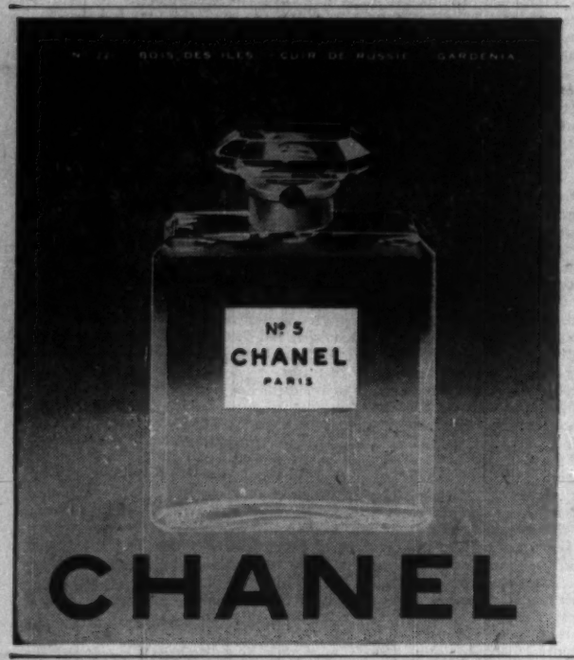
This means that a 10% tariff can be cut only a fifth of that, or by 2%. Possible reductions in tariffs now at the 1% to 6% level are so small that they're not worth much effort.

Under the GATT procedure, we can approach the U. S. for cuts only if we are principal supplier of the items affected — and this limits us mainly to raw material items.

Canada will benefit if other countries negotiate U. S. tariff cuts on manufactured goods, because the cuts will be extended to us. But there are very few manufactures on which we can initiate GATT talks with the U. S.

HEALTH WEEK

Dates for National Health Week, sponsored by the Health League of Canada, with the cooperation of departments of Health and of Education, have been set for Jan. 31 to Feb. 6, 1960.



Why CGE Chooses Sackville Site for Transformer Plant

Canadian General Electric's new Maritime plant will be built in Sackville, N.B. (FP, Oct. 3, 17).

Costing $300,000-plus for land, construction and equipment, the plant will contain around 12,000 sq. ft. and will be used for manufacture of distribution transformers.

Plant is still in design stage and no architect or general contractor has been named. Construction is scheduled to start in April with full operation before the end of 1960.

J. S. Keenan, CGE vice-president, said other electrical products will be manufactured in the Maritimes as opportunities permit.

Plant will channel over $100,000 a year into the Atlantic economy in wages, taxes, and local purchases.

Company's studies showed a number of factors in favor of the Moncton-Amherst area for manufacture of this particular product which requires quick delivery to customers and filling of custom orders.

Some of them:

- **Proximity to plants** capable of fabricating materials and components.
- **Site is near geographical centre** of the Maritimes and close to a through railway and highway.

E. V. Hunt, manager of the Sackville project, said that employees will be recruited and trained locally, with only two or three key people to be transferred from other CGE plants.

Construction of the plant will provide employment in the area next spring and summer.

Plant was announced by CGE after a market survey by Atlantic Provinces Economic Council and at the request of electric power commissions.

Donohue Adds To Newsprint Capacity

MONTREAL (Staff)—Newsprint-maker **Donohue Bros.** is undertaking a $1,250,000 capital improvement program.

It will be partially financed from proceeds of sale in the U. S. of $800,000 6% first mortgage sinking fund bonds. The issue is being privately placed, will be dated February, 1960, and mature in 1977.

Price hasn't been announced. **It's reported the program may add 10,000 tons annually to present capacity of about 106,000.**

Included in the program: Replacement of two obsolete steam generating units by one of higher capacity and greater economy, with facilities for burning bark; addition of a 40-tons-daily grinding unit; increased speed and efficiency of the paper machines.

Earlier, the Quebec company announced net profit of $1.13 per share in the first nine months compared with $1.07 in corresponding 1958.

Foreign Exchange Rates

Noon Value in Canada
Week Ended Dec. 1, 1959

	U.S. $		U.K. £	
Wed.	.95	9/32	2.67	
Thurs. ..	.95	12/32	2.67	3/16
Fri.	.95	6/32	2.66	12/16
Mon.	.94	29/32	2.65	14/16
Tues.	.95	4/32	2.66	6/16
Ave.	.95	28/160	2.66	51/80

U.S. rate reported by Bank of Canada.
U.K. bid rate reported by Toronto-Dominion Bank.

Montreal Drive: 23 Companies To Give Reports

MONTREAL (Staff)—Drive by both Montreal stock exchanges for interim reports from those "solid" industrial and mining corporations that still hold financial cards close to the vest is getting results.

So far, 11 companies have already signified intention to start issuing quarterly reports. Another 12 say they will henceforth report to shareholders semi-annually.

Refusals were sent in by 21 companies.

Another 15 said they were considering the request.

Ten days ago, the Montreal stock exchanges sent out request for issuance of interim financial information to 257 corporations that do not already furnish the public with such reports.

All told 59 replies had been received at midweek.

The smart, economical Lark Deluxe 4-door Sedan with your choice of super-economy six or thrifty V-8 engine.

What a governmental purchasing agent has to say about

THE LARK BY STUDEBAKER

*QUOTE:

"Actual saving of 1¢ per mile against the comparable cost of the cars of the 'Big Three'."

"Practically no maintenance expense other than gas, oil and lubricant.

"Spare parts are much cheaper for the Lark than for the comparable 'Big Three' cars.

"We have found that the Studebaker Lark is a most economical car to operate, much easier to handle in traffic than the cars of the 'Big Three', easier to park in congested areas, and all in all a most satisfactory piece of equipment for municipal use."

**Extracts from a letter, true copies of which, together with any further information you may require about the Lark, may be obtained by writing*

Neil D. Gaskin, Manager,
FLEET SALES DIVISION,
Studebaker-Packard
OF CANADA, LTD., BOX 150, HAMILTON, ONT.

Producing the second generation turbo-jets. Tarmac Comet's drawing of part of one of the main Vanguard assembly lines at Weybridge gives an excellent impression of this important activity of the Vickers Group.

Higher Standard of Living In Exciting Sixties

A. C. ASHFORTH, PRESIDENT

Canada is in the midst of a Period of Broad Expansion

THE TORONTO-DOMINION BANK

Confidence is a prime Motivating Force in the Economy

A. T. LAMBERT, GENERAL MANAGER

At the Annual General Meeting of Shareholders of The Toronto-Dominion Bank, Mr. A. C. Ashforth, President, said in part:—

The international and economic climate under which we meet today is considerably healthier than a year ago. The raw, cold winds of world tensions have been replaced by a warmer breeze and the barometer of economic progress has been rising.

International understanding has been broadened by the interchange of visits between the heads of governments of the great powers. While the trips of Prime Minister Macmillan and Vice-President Nixon to Moscow and Mr. Khrushchev's visit to the United States have not resolved the fundamental differences between East and West, they have eased a situation which was becoming increasingly tense and have resulted in a good deal of purposeful consultation. Other exchanges between leaders of the West and the East have been arranged and there is every reason to look for a Summit Meeting before many months have passed.

This augurs well for the future, but we cannot assume that the Cold War is a thing of the past. Experience has taught us that plans which seem to be progressing well can bog down on short notice. Then, again, there is no assurance of a real meeting of minds at the Summit itself and neither side has yet developed sufficient confidence in the good intentions of the other to warrant the hope that no new sources of discord will appear. However, the memory of disappointed hopes in the past provides an atmosphere of realism in which sound progress can be made and a substantial relaxation of the Cold War achieved.

With relaxation of political tension, concern is being expressed about the possibility of increased Russian competition in the economic field. Certainly, there is greater awareness in the West of the ability of Russia and its associate countries, to compete with us in many lines of production. For Canada, this is a matter of no small concern. Similarity of climate and resources makes Russia a potential competitor for many of our staple products in international markets.

While Russian competition may be a potential threat to Canada's trading position, there are good reasons why we should welcome economic rather than military competition. First, economic competition is constructive rather than destructive. Secondly, economic competition is the very fibre of the free enterprise system. On the basis of past performance, there is no reason to doubt our ability to give a good account of ourselves in this field. Thirdly, with standards of living rising throughout the world, including Russia and China, there will be no lack of demand. Fourthly, it is part of the magic of competition that it contributes to the growth of real income and standards of living of all competitors.

FOREIGN TRADE MORE COMPETITIVE

Among the western community of trading nations, there have been a number of significant events during the year. At the close of 1958, fourteen nations of Western Europe established external convertibility for their currencies, a move which was described by the International Monetary Fund as "perhaps the most notable step since the end of World War II toward the establishment of a truly multilateral system of payments." Further liberalization of trade was promised at that time and just a few weeks ago Britain led the way in a substantial relaxation of the remaining restrictions on dollar imports, followed closely by France and other countries. The relaxation of restrictions on dollar imports by European countries reflects not only a better balance of payments position but a vast improvement in their competitive position.

The improvement in the competitive position of other trading nations is a situation which the United States will have to watch—and Canada even more so, since we are much more dependent on exports. We are now witnessing a return to competitive conditions in world trade, not seen since perhaps 1914. In these circumstances, cost of production will have to be kept under control or the stability of our dollar will be endangered.

REMARKABLE YEAR

Let us now turn to the Canadian scene.

In discussing conditions at our annual meeting four years ago I remarked that "Canadians never had it so good". Once again, those six words are an apt description of the Canadian economy.

Canadians in 1959 produced more, imported more, exported more, earned more, spent more and saved more than in any previous year.

A year ago Canada was labouring in the early stages of recovery from recession. Today, we are in the midst of a period of broad expansion which is carrying our national output and our standard of living to new heights.

Gross national production for 1959 will probably exceed, by a slight margin, the forecast of $34½ billion made by the Ministry of Finance in last April's budget. With the general price level up less than one per cent, there has been a marked gain in physical output. In fact, this year's increase in volume terms is well above the average for the postwar period.

Population has soared past the 17½ million mark despite a reduced flow of immigrants and, as I indicated a moment ago, new records have been commonplace. Labour income shows an increase of the order of eight per cent. An historic landmark has been achieved in that we now have more than six million workers gainfully employed. Other record or near-record levels are in the making for such widely varying activities as steel production, natural gas output, mineral production, automobile sales, housing completions and, indeed, the total of construction put in place. All in all, 1959 has been a year of remarkable economic progress.

A BREATHING SPELL

During the early part of this year the pace of recovery in the United States was more rapid than in Canada and, as might be expected, the recovery road has not been entirely smooth. For the last few months the economy has been in something of a lull—or perhaps I should say it has been taking a breather. However, it is normal for interruptions like this to occur in the expansion phase of any business cycle. Breathing spells do occur while gains are being consolidated. Then, again, the lull has been accentuated by the United States steel strike. Past experience shows that these pauses in the general forward movement are not too lengthy and are followed by a renewal, and sometimes a decided burst, of expanding business activity. All signs point to this occurring again, possibly stemming from the biggest Christmas trade in our history.

What about the year ahead?

Canada's prospects for 1960 must be reviewed against the background of notable expansion in other industrialized countries. Most European nations are enjoying their greatest prosperity. Unemployment is low, industrial production is advancing rapidly and foreign exchange reserves are high. A better trading climate is evolving—a development which is favourable to Canada.

The Canadian outlook is, of course, closely linked with that of the United States—a market which takes almost two-thirds of our exports. Labour difficulties in the steel industry have cut into United States business activity in recent months and there is the distinct possibility of further labour trouble early in 1960. Assuming, however, that labour management peace is achieved, the new year should bring a resumption of economic expansion in the United States. This being the case, our sales in that market will rise moderately.

AVERAGE GROWTH IN 1960

Providing there is no serious disruption in export sales to the United States, Canada can look forward to a year of at least average growth in 1960 and some shift in the relative importance of the various generating forces. Capital spending by business seems to be on the increase once again and expectations are that exports will continue to rise. Continued expansion in other countries is bound to improve the markets for Canada's forest and mineral products. Personal consumption will remain high but its growth is likely to be more modest than in the past two years. Inventory rebuilding may provide less momentum, not only because of the large accumulation of stocks to date but because inventory financing is more difficult in a period of tight credit. Government spending will probably show little change from the present record levels. Thus, the expansionary forces in 1960 are likely to be capital investment and exports, with less significant but still important assistance stemming from personal consumption, inventory accumulation, and government spending.

Perhaps this would be an appropriate place to observe that an atmosphere of monetary restraint is likely to continue to prevail. An easing of the present monetary situation is not to be expected for it is primarily a reflection of the high demand for investment funds in relation to the current flow of savings. Furthermore, there is no concrete evidence that the present process of expansion is being seriously impeded by credit restraints, though it may well be that the expansion phase of the present business cycle has been moderated and lengthened. The latter is desirable and is the objective of the monetary policy being followed by the central bank. The battle against inflation is being fought on many fronts and in many countries, and Canadians must do their part.

Taking all of these things into consideration, there is a good chance that the gross national product will increase five per cent in real terms in 1960 and, even more, if exports surge upward as some people seem to expect. A five per cent rate of growth would be above the postwar average but below the achievement of 1959.

THE SURPRISING FIFTIES

In another four weeks we will be standing on the threshold of a new decade—the decade of the sixties. Consequently, this would seem to be a fitting occasion to pause and take stock of the decade that is closing and to look a little further into the future than twelve months ahead. All too often we are inclined to keep our eyes only on the ground immediately in front of us.

Few amongst us can say that ten years ago we foresaw, even in our most optimistic moments, the giant economic strides of what I think we can now appropriately call "the surprising fifties". Despite the problems of armed conflicts, the cold war and tensions and political unrest in many parts of the world, real progress has been made in raising living standards and building a nobler civilization. For most of its inhabitants, and especially for Canadians, the world is a better place than it was ten years ago.

Now, let us look at some of the hallmarks of progress in Canada.

As I mentioned earlier, Canada is now a nation of well over 17½ million people. In fact, Canada's population now approaches the maximum population forecast which the Gordon Commission foresaw for 1960, an increase of 4.1 million people or 30 per cent over the decade.

RAPID EXPANSION

The magic of the averages can disclose to us the full impact upon us of this burgeoning population base. With personal income now close to $1500 per capita in Canada, as compared with $940 in 1949, we can see that these four million new consumers have a private purchasing capacity in excess of $6 billion. Thus, about $1 in $4 in the nation's total personal income is accounted for by the growth of our population during the past decade alone.

With more hands, skills and talents available to us, and blessed by the favour of nature in a world hungry for our goods and materials, the 1950's have witnessed rapid growth in real terms in almost all sectors of the economy. We are now a nation producing goods and services with an annual value of about $35 billion and despite the inflation which has run like a rampant virus through our economy over the past decade, we have still been able to increase our total output in volume terms by over 50 per cent.

These developments have made the 1950's rather heady times for Canadians. With almost unbelieving eyes we have looked around and seen the old giving way to the new, have seen rural areas turned over from the domain of the plough to that of the bulldozer and as we accepted such progress we sometimes wondered just what had so dramatically altered the economic climate of the 1950's from that of previous decades. Two of the prime movers in our decade of progress have been foreign trade and capital investment. Gifted with a treasure chest of resources, and set down in a world which welcomed an ever increasing flow of Canadian goods, we prospered. Our total exports of goods have risen in physical terms by 40 per cent and now stand at the annual level of about $5 billion. But this upsurge in our export trade was merely a symptom of world wide interest, and particularly United States interest, in the wide range of resources which we had at our disposal. We became a major source of industrial materials for western nations and this sparked a tremendous allocation of international capital resources to our primary industries. This investment, together with the demands of our domestically oriented manufacturing industries and our demands for social capital, has raised our annual capital outlays from less than $4 billion in 1950 to more than double that figure.

This glowing account of our past progress would not be complete without a reckoning of the increase in the real prosperity that has befallen the average Canadian. This, of course, can be indicated by any number of measures. Per capita personal income, after making allowances for price increases, has increased by about one-third since 1950.

THE EXCITING SIXTIES

What kind of an economy will we have ten years hence?

We stand at the threshold of a new decade with untold opportunities awaiting us, and given a peaceful world we should surpass the achievements of the 1950's. Here the hallmarks of the 1950's are the signposts of the years ahead, for they point up the broad perspective of yet uncharted years. Since we will cross the threshold with the indicators pointing upward, we can face the future with great expectations, especially as the basic strength of the economy is greater than ever before.

In the 1960's, just as in the 1950's, we can expect significant population growth. Even if we assume that our population over the next decade will not exceed the middle range estimate provided by the Gordon Commission, 3.8 million will be added to our present population. This would be the equivalent of adding to Canada three more provinces with populations comparable to those of British Columbia, Alberta and Saskatchewan. Indications are that this may be a conservative estimate. If net immigration in the 1960's approaches the upper range provided by the Gordon Commission, Canada will add 4.3 million new citizens to its population. Actual performance will probably be somewhere between these two figures.

With such an increase, Canada will have the wherewithal in terms of labour and consumers to produce goods and services which will rise in real terms by about 50 per cent over the decade—about the same as in the 1950's.

Real living standards on a per capita basis in this country should increase once again by 25 per cent.

In terms of today's dollar, Canada's Gross National Product will probably pass the $50 billion a year benchmark before the 1960's are out. Indeed, it is possible that that economic milestone will coincide with the celebration of our historical milestone, the nation's 100th birthday in 1967.

A growing population and larger incomes mean a domestic market considerably bigger than exists today. Basically, we will have to provide for four million additional people by 1970. This means a growing demand for food, clothing, housing, household appliances, educational facilities, cars, transportation, recreation and other goods and services. Urban areas will become more crowded. New highways and city traffic arteries will have to be built. Industry, in order to provide the goods and services demanded by an expanding market, will have to expand its plants and invest in more efficient machinery. Automation will grow.

Over the next decade not only will the number of families grow but the income of the average family will be higher. Personal income per capita should rise about 30 per cent, being equivalent in 1970 to about two thousand 1959 dollars. Our standard of living is high but by the end of the "exciting sixties" it will be even higher.

So far I have drawn a rather optimistic picture of the decade ahead and I feel that optimism is justified but please do not get the idea that the sixties will be without worries. The going will not always be smooth. There will be ups and downs. We must not become complacent and just assume that the same rate of growth as in the fifties is a foregone conclusion. Good fortune has played an important role in our successes of the past ten years. In the period ahead we will have to rely to a greater extent, perhaps exclusively, on good management and hard work.

PRODUCTIVITY MUST RISE

Our hopes and ambitions will only be realized if Canada continues to fare well in the international trading sphere. Other countries besides Canada have been developing rich natural resources. Competition for export markets will be keener and this means that costs must be kept down. In other words, the problem of the relationship of wages to productivity must be resolved. If it is not, prices will rise and we will lose our position in world markets.

Canada's trade deficit is uncomfortably large and this is another reason why we will have to push export sales with more energy than ever before.

The problems of providing schools, roads and other facilities for our expanding population will be tremendous for all levels of governments—federal, provincial and municipal. The already heavily-burdened taxpayer is not going to have an easy time. This would seem to suggest that social welfare programmes should not be enlarged or new ones undertaken without a complete study of the end result as to how it affects the taxpayer.

The capital requirements of the sixties will be large, perhaps even larger than that of the fifties, and funds for capital investment must come from savings if the growth is to be sound. During the past decade the flow of savings in Canada has not been nearly big enough to meet our needs and we have had to meet the situation by importing capital. One of the problems we will have to face is that of increasing the flow of internal savings in order to reduce our dependence upon foreign capital.

This year in Canada we began a battle for the twin objectives of sound growth and a stable dollar. The struggle against deterioration of the purchasing power of the dollar is still in its early stages and it is one which will have to be won if my forecast of a rising standard of living in the sixties is to be fulfilled.

Ladies and gentlemen, the path of the sixties lies immediately ahead of us. There will be ups and downs and curves to be negotiated and obstacles to be overcome. As we travel along it we should experience the best years in our history, provided we tackle our problems with initiative, intelligence and diligence.

Mr. Lambert in addressing the meeting said in part:—

The statement which has been presented to you today records continued progress by your bank, assets, deposits and earnings once again achieving record levels. However, the rate of growth was not as large as in the previous year since there was no monetary expansion, whereas 1958 was a period of heavy government borrowings and accompanied by a substantial increase in the money supply.

Deposits are the main source of funds which the chartered banks have available for loans and the level of deposits is influenced to a large extent by movements in the money supply. Throughout the past twelve months, the money supply operated within a narrow range. As a result, net Canadian deposit liabilities of the chartered banks averaged some $180 million less in October than in the corresponding four weeks of the previous year.

Reflecting the sharp upturn in business activity, loans in the banking system as a whole moved up $1300 million during the twelve months covered by our fiscal year. As there was no increase in Canadian dollar deposits (indeed, as I have mentioned, there was a moderate contraction) it was necessary to sell securities to accommodate this demand for loans.

Changes of such magnitude in the composition of bank assets put a strain not only on the banks themselves but on the capital markets as well. Bond yields and interest rates moved sharply higher as expanding business opportunities brought increasing demand for credit—a demand that outran the flow of current savings. Under such conditions it is inevitable that some loan demand should go unsatisfied or at least be deferred. But surely this is the purpose of a policy of monetary restraint—to defer some part of the programme in order to avoid the danger of setting off another round of inflation.

It is perhaps not surprising that in such a period of opposing forces there should be a measure of confusion as to why the supply of money should be insufficient for the demand. Actually, the decisions affecting the supply of money and determining whether it is tight or easy are the collective decisions of the whole community. Very simply, the so called tight money situation is the result of this sharp upturn in business activity which was reflected in the strong demand for bank credit. The substantial housing programme, the large increase in consumer credit, accompanied by higher commercial and industrial needs to finance inventory accumulation, all played their part in competing for the available funds. For a central bank to simply create a lot more money under such circumstances would, if not immediately, at least eventually, have merely resulted in increasing the demand pressures rather than easing the supply. It would almost surely lead to a lack of confidence both internally and externally in not only our currency but our integrity as well and create the conditions for another strong inflationary-inspired boom.

EARNINGS

The Statement of Undivided Profits shows net earnings for the year of $5,462,929, which is an increase of $717,000 or 15 per cent. This rise in earnings is moderate in the light of the increase of $13.6 million in shareholders funds as a result of our offering of rights to shareholders just a little over a year ago. On the average amount of capital outstanding, net profits were equivalent to $2.33 a share as compared with $2.37 a share in the previous year.

During the year your Board of Directors twice authorized an increase in the regular quarterly dividend rate which now stands at 47½ cents a share as compared with 35 cents in 1958. Total dividend disbursements in the 1958-59 fiscal year amounted to $1.85 a share as against $1.60 a share in the previous year. For the year under review, dividend distributions aggregated $4,412,000, an increase of $1.2 million. This resulted in the amount carried forward to Undivided Profits being reduced to $1,051,000, down just under half a million dollars from a year ago.

Although the year end statement shows only a moderate increase in assets over one year ago, funds available throughout the year were substantially higher than in 1958, average earning assets being up $194 million. This was the important factor in the improved earning results for while interest rates on investments and loans moved up during the year, the gain here was almost fully offset by higher interest costs on deposits.

A number of significant changes occurred in the disposition of our income dollar. Interest paid on deposits now consumes a larger share than any other item of expense—roughly 36 cents of each dollar of income as compared with 33 cents in 1958. In fact, interest on deposits has taken an increased share of the income dollar in each of the past four years, having risen from 25 cents in 1955. Since 1955 our annual interest expense has risen by $17.2 million.

Salaries, allowances and pension contributions are the second largest item of expense, taking nearly 34 cents of each income dollar and in the aggregate were 10 per cent above the total last year.

Property expenses at just under 3.7 cents were at the same level as last year.

The share consumed by other operating expenses was lower, amounting to 7.5 cents as compared with 7.9 cents last year.

The proportion devoted to depreciation was 2.4 cents whereas the corresponding figure last year was 2.5 cents.

Municipal taxes absorbed 2.2 cents of each income dollar as compared with 2.3 cents in 1958 and the share taken by income taxes remained unchanged at 7.5 cents.

Our margin of profit declined slightly, being equivalent to 6.9 cents in 1959 as against 7 cents last year.

As pointed out earlier, a larger portion of our profits were paid to shareholders in the form of dividends, the latter amounting to 5.6 cents of each income dollar, as compared with 4.7 cents in the previous year.

DEPOSITS

Total deposits this year rose by $24 million to $1,678 million. This contrasts sharply with the growth of $358 million experienced in 1958 but it is a creditable showing when you consider that the money supply has remained practically stationary throughout the period under review.

The increase is accounted for by an expansion in personal savings deposits from $819 million to $843

Continued on facing page

THE TORONTO-DOMINION BANK

THE BANK THAT LOOKS AHEAD

continued from previous page

...sit. Deposits by other banks rose by $73 million, but this was offset by declines in government balances and in other deposits, more especially those of corporations.

We now have slightly more than 1,300,000 deposit accounts on our books and 1,100,000 of these are personal savings accounts.

ASSETS

Total assets rose during the year by $46 million to $1,789 million, reflecting the net increase in deposits of $24 million together with an increase of $7 million in Letters of Credit outstanding and an increase of $14 million in shareholders' equity.

The balance sheet, as usual, shows a strong position. While cash resources are $26 million lower than a year ago, they are equivalent to 15 per cent of our deposit liabilities.

CALL LOANS

Call and short loans, including day-to-day loans to investment dealers and brokers amount to $172 million as compared with $177 million a year ago. These loans are fully secured and the major portion represents utilization of United States dollars placed on deposit with us.

SECURITIES

In order to secure funds to take care of the expanding credit requirements of our customers we sold a substantial amount of bonds. As a result our investments in securities decreased by $99 million to $457 million, the drop being reflected in lower holdings of Government of Canada and Provincial Bonds.

CURRENT LOANS

The demand for loans was particularly strong throughout the year and in these circumstances it is not surprising that our current loans rose by $134 million to $760 million, the highest level in our history.

In times such as we have been experiencing, when loan demand is pressing heavily on available bank resources, it is appropriate that we should be concerned to ensure that small borrowers are getting fair consideration. Naturally I can speak only for our own bank but I wish to repeat the assurance I have given in previous years that we are doing our utmost in this respect. An examination of our record shows that small borrowers, far from being discriminated against, receive favoured treatment.

I do not want to leave the impression however, that there are any precise little rules which can be safely followed in determining who should and who should not obtain bank credit during periods when demand exceeds supply. Eliminations can, of course, be made; loans for non-essential or highly speculative purposes, and term and other loans which should more properly be financed in the capital market. To select an amount, however, and say all loans under it are to small business and over are to large firms and to suggest there is merit in serving one but not the other, does not carry conviction with me. I know many fine businesses who are receiving at the peak of their needs, bank support quite substantially in excess of the often selected $100,000 figure, but which do not regard themselves as big business, and more important, about whom it could not be said that they could and should obtain their requirements outside the banking system.

Banks not only have the responsibility to administer wisely and safely the funds entrusted to them by their depositors, but also of allocating the funds at their disposal in the best interests of Canada as a whole. There is no doubt in my mind that this responsibility is accepted and understood by our Canadian banks who have served this country well and earned the respect of the people from within and without our borders. The decisions which have to be made are human ones, and there will be mistakes, but I can think of no better way to assure fair and equitable treatment than through the highly competitive branch banking system as it exists in Canada.

N.H.A. MORTGAGES

Indicative of the substantial role we have continued to play in the financing of new residential construction, our holdings of N.H.A. mortgages rose to $101 million. This is an increase of $35 million or over 50 per cent.

Total new advances on N.H.A. mortgages was considerably in excess of the $35 million increase in our portfolio, amounting to $47.8 million. The difference is accounted for by the sale of over $10 million of mortgages and principal repayments of approximately $3 million.

Since our entry into the mortgage lending field in 1954 your bank has provided the necessary mortgage funds for the construction of 11,036 housing units.

Perhaps a word of caution would also be in order. There are limits to the amount of funds which a chartered bank can invest in long term mortgages. Our mortgage portfolio, plus outstanding commitments, are equivalent to about 14 per cent of our savings deposits. It would be fair to say, therefore, that our participation in N.H.A. financing on the record scale established in 1959 is dependent on an expansion in deposits and further sales of N.H.A. mortgages from our portfolio.

INTERNATIONAL DEPARTMENT

Our international business recorded further growth and in recent months there have been two significant developments in our foreign operations. In London, England, we have opened a second branch, located in the West End, and in New York, our Agency has moved into new and enlarged quarters at 45 Wall Street.

Since our International Department is very active in the foreign exchange market this would seem to be an appropriate place to comment on the high price that now attaches to the Canadian dollar in terms of other world currencies. This may prove not the least of the problems that lie immediately ahead of us.

One point that strikes me rather forcibly is that our foreign exchange reserves are not growing at a rate commensurate with the growth of our external debt. I appreciate the problem the authorities would face in financing additional holdings, but I think the day may come when we shall wish we had stockpiled more of the resources we are now at some pains to avoid accumulating. Perhaps this year, with the Government deficit likely to be much reduced, if not eliminated entirely, would be a good time to add to our foreign exchange reserves. There should be immediate additional benefits in the form of a somewhat lower price for the Canadian dollar in terms of other currencies, which would put our export industries and our domestic manufacturers in a better position to meet world competition.

CONFIDENCE ESSENTIAL

One of the prime motivating forces in a free society is confidence—confidence not just in the future generally, but in the stability of our currency over the long term. A year ago there was considerable uncertainty. Doubts existed as to whether we would hold firm in endeavouring to maintain the purchasing power of the dollar, and even whether we wanted to do so. Now, these doubts have largely vanished. During the twelve months that have elapsed we have demonstrated a willingness and a capacity to resist inflation that has surprised many and as a result we have laid a strong foundation for the type of confidence so necessary to our continued growth.

The Prime Minister of Canada and the Minister of Finance have stated in unmistakable terms that the soundness of our currency will be defended. Furthermore, the Government has supported these assertions with corresponding action. First, it has resisted the temptation to finance its borrowing requirements through monetary expansion and the sale of short term obligations to the banking system. Despite the higher cost, it has secured a large part of its borrowing requirements through the sale of bonds in the open market, and the extent to which the investing public has again been attracted to government securities, is indeed encouraging. Second, the Government has moved toward a balanced budget as the economic situation has improved and indications are that it will endeavour to resist pressures for increased government spending. The Bank of Canada has supported these actions within its sphere of influence.

It is against this background and a year of relative price stability that one attempts to assess the future. The threat of inflation has not disappeared but it has been reduced and for this reason it should occupy less of our attention in the year ahead. More of our time and effort must be devoted to achieving a further increase in our national output. Governments and central bankers can influence the business climate but in the final analysis it is up to the people what they make of their opportunities. With co-operative effort by all sections of the community and a willingness to exercise restraint in striving for immediate rewards, particularly those which are reflected in higher prices, we can look forward with confidence to a further period of growth and prosperity.

THE
TORONTO-DOMINION
BANK

— What's New —

New products, new uses, new ideas, new money-makers. FP reports them here and invites contributions. Write to FP, 481 University Ave., Toronto.

NO MORE TEARS peeling onions. U. K. firm has developed machine to do the job at a rate of 20 lb. every two minutes. Also it peels other vegetables — up to 5½ tons a day — and there is a special fitting for beet root peeling.

* * *

GLASS APRONS can be folded without deterioration and last three times as long as rubber proofed aprons, maker says. The new sheeting material is said to be suitable for surgeons' aprons or draw sheets in hospitals. It's made of open mesh glass fabric sandwiched between two thin films of polyvinyl chloride.

* * *

MOW YOUR LAWN, then go boating with this new power mower. It comes with an outboard motor assembly. Using a wrench, pliers and screwdriver, you can detach the gasoline engine from the motor, attach it to the outboard motor assembly, then hook the whole thing to your boat and away you go, maker says.

* * *

CHRISTMAS TREE light changes color when it is turned on. Called "snowball lamps", the 2-in. round bulbs are white until the electricity is turned on, when they become violet, blue, green, white, red or yellow. White transluscent material on the outside of the bulb lets colored light through when the bulb is lighted.

* * *

SUN CONTROLS reduce size of air conditioning plant requirements. They are exterior metal sashes, vertical or horizontal, operated from inside a building by manual, electric or fully automatic controls. They control solar heat, light and glare and can be mounted on most existing buildings.

STEIN-CAN

CANS BECOME CUPS when fitted with a simple plastic sleeve. Makes drinking beer, tomato juice or other liquids out of a can pleasant and easy, Australian maker says. Once the can is perforated, the sleeve is placed over the top fitting tightly with the help of a rim, making a tankard. It has eliminated the use of glasses in some tropical hotels.

* * *

GLITTER PEN writes in "ink" that sparkles brightly. Maker says it's good for Christmas decorations, greeting cards, gift wrappings, Easter eggs and so on. Ink, which is a mixture of glue and glitter, comes in six colors. It's squeezed from a tube.

* * *

TOE CLEANER: U. S. firm has devised a special brush to massage and clean the area under and around the toes. Price $1.

* * *

TINY LAMP could pass through the eye of a darning needle. Produced in the U. S., it is cylindrical with a nominal diameter of .040 in. and a nominal body length of 0.125 in. The incandescent lamp leads are platinum in a diameter of 0.005 in.; the filament is 0.00025-in. tungsten wire.

* * *

THE WASP: It's the name given an air powered, self-rotating drill which the maker says is the lightest in the world. Weight: 6.6 lb. It's intended for drilling small holes in stone, masonry, concrete and other building materials.

* * *

NEW LITERATURE: Four-page bulletin on selecting ballasts for indoor 60-cycle mercury vapor lighting available from **Canadian General Electric Co.,** Toronto . . . pamphlet describing an air-power stapler from **Canadian Steel Strapping Co.,** Toronto . . . **Cummings-Chicago Corp.,** Chicago, has bulletin on equipment specifically designed for use on installment payments.

CANADIAN ELECTED

N. J. MacDonald, president, **Thomas & Betts Ltd.,** Montreal, and **Thomas & Betts Co.,** Elizabeth, N.J., has been elected president of the National Electrical Manufacturers Association of the U. S.

Napier Moore's Scratch Pad

WHEN I first knew it, little more than 20 years ago, Nassau, capital of the colony of the Bahamas, was a delightfully drowsy, tranquil little city.

Along Bay St., its main shopping thoroughfare, there never was any parking trouble, for there weren't many cars and most of them were of the English midget type.

Today, as a booming and increasingly Americanized tourist resort, the parking situation is hopeless. An unending stream of vehicular traffic crawls along Bay St. and other arteries.

And for every small English car, there are hundreds of U.S. juggernauts.

There never was such a waste of power, for the whole island of New Providence is but 20 mi. long and 5 mi. wide. The speed limit within the city boundaries is 20 mph; beyond them, 30 mph.

Greatly concerned by the traffic problem and the growing number of accidents, the Bahamas Chamber of Commerce, by an overwhelming majority, has voted to press for legislation to change driving in the colony from left hand side of the road (as it is in England) to the right hand side.

Main point of the argument is that 90% of the motor vehicles in use have left hand drives and it would take from six to eight years to change them over to right hand drives.

Another point is that large numbers of visitors are accustomed to keeping to the right, hire drive-yourself cars and get all mixed up.

Stirling Moss, world famous racing driver, told the meeting that a change from driving on the left to driving on the right had been tried in Sweden without success.

He feared that with the low standard of driving in Nassau a similar change would lead to more accidents.

In my early days in Victoria, B.C., traffic was to the left.

When, in order to conform to the rule of the road in other parts of Canada, the change was made, a lively and perilous time was had by all.

It wasn't only the drivers who had trouble. By force of habit pedestrians about to cross the street would look in the wrong direction, with unfortunate results.

* * *

Should it seem that a rosy glow is reflected from this side of the page, it's me. I have been called an Immortal!

In Detroit there is a flourishing institution called the World Adventure Series. Every Sunday afternoon for 18 weeks it brings famous explorers and travellers, with color movies, to inform and entertain large audiences.

For 26 years it has been directed by its founder, George F. Pierrot, who became a friend of mine years before that when he was editor of The American Boy.

The World Adventure Series booklet for this season carries a bit of history. It says: "Our first speaker — back in January, 1933 — was Capt. Carl von Hoffman, and his subject was 'Head-Hunters of Formosa.' Those were the days of depression and scrip, and we sold unreserved seats at 35c and 25c.

Staples

Bread and salt are staple foods, but paper is the staple of our whole cultural and economic life. Since the dark ages it has led mankind to a world of enlightenment.

The paper industry, like other major providers for man's needs, faces an expanding opportunity. The future can be read in the statistics of the vastly populated areas of the earth where education and commerce are rapidly raising the living standards. We at Bowaters are thinking about tomorrow *today*. The development of the Bowater Organization throughout the world is based on the present and future needs for newsprint and paper of all kinds.

We strive to anticipate progress, not wait for it.

Bowaters

THE BOWATER CORPORATION OF NORTH AMERICA LIMITED · MONTREAL
Mills at: Corner Brook, Newfoundland; Liverpool, Nova Scotia; Calhoun, Tennessee; Catawba, South Carolina.
A MEMBER OF THE BOWATER ORGANIZATION

Let us quote on
MACHINERY
Built to your
SPECIFICATIONS
S. Vessot COMPANY LIMITED
JOLIETTE, QUE.

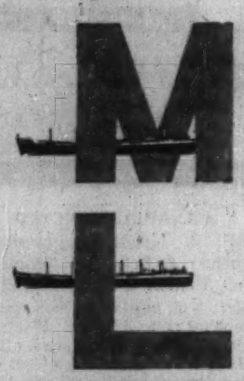
ANNOUNCEMENT

COLUMBIA CELLULOSE APPOINTMENT

G. W. GRANT McCONACHIE

G. W. Grant McConachie of Vancouver, B.C., has been appointed to the Board of Directors of Columbia Cellulose Company, Limited. Mr. McConachie is President and Chief Executive Officer of Canadian Pacific Airlines, Limited. He is a past President of the Vancouver Board of Trade and an Executive Committee member of the Canadian Chamber of Commerce.

Call in



for advice on freighting to or from the U. K.

M.L. have a wealth of information available.

A large, fast fleet sails regularly between Manchester, the heart of England's Industrial North — Montreal, Toronto, the Canadian and U.S. Lake Ports—and North and South Atlantic Ports

For details of rates and sailings, prompt advice and special information, please address enquiries to the Import or Export Departments as required.

MANCHESTER LINERS LTD.

St. Anne's Square, Manchester 2, England
Telegraphic Address: "Nauticus" Manchester
Toronto Agents:
Furness, Withy & Co. Ltd. Phone EMpire 6-3621
Montreal Agents:
Furness, Withy & Co. Ltd. Phone Victor 9-1223

ANNOUNCEMENT

HORNE & PITFIELD FOODS LTD. ANNOUNCES THE APPOINTMENT OF NEW GENERAL MANAGER

L. V. GROLL

The Directors of Horne & Pitfield Foods Limited have announced the appointment of Leonard V. Groll as General Manager of the Company's Alberta operation.

Mr. Groll who has had twenty-eight years' experience in Supermarket & Food Distribution Operations at both the voluntary and corporate chain level, will be in charge of operations of nine distribution and three Cash and Carry branches as well as retail operations of Horne & Pitfield Foods Ltd.

Mr. Groll; who started in the food business as a clerk for the Kroger Company, has held various positions in wholesale and retail distribution, including Produce Manager, Personnel & Training Director, General District Manager and Director of Operations.

In accepting his position with Horne & Pitfield Foods Ltd., Mr. Groll stated: "The opportunity for growth and development of this Company in the Alberta market presents us with an excellent challenge. As we at Horne & Pitfield Foods expand and increase our services in Food Distribution, the future for sales and profits of the Company in the expanding economy of Alberta is tremendous. Our expansion programme presently underway calls for the immediate development of sixteen large food markets as well as continued expansion of our distribution facilities".

Letter from London

Watch your car in the U. K. now. Marples declares war on the traffic problem . . .

By ADELPHI

WILL Field-Marshal Lord Alexander write his memoirs?

That question was put to him recently at the Canadian Women's Club Annual Ball at the Dorchester Hotel.

The field-marshal, who was accompanied by his attractive wife, is looking splendidly fit and there was a glint in his eye which suggests that some day he might draw the pen from its scabbard.

Field-Marshal Lord Montgomery and Field-Marshal Lord Alanbrooke have described how the war was won, despite the incursion of Sir Winston Churchill and General Eisenhower, but so far Lord Alexander has not joined in the brawl.

For the sake of history "Alex" should tell his story. There are many experts who believe that he was the supreme architect of victory.

* * *

Now let us turn from the generals to the battle of politics. There are two by-elections pending as a result of the death of Sir Albert Braithwaite (Tory) and John Edwards (Socialist).

Mr. Edwards held his seat in the general election by a mere 47 votes and there will be intense interest to see whether the Tory boom is still on or whether it has evaporated.

* * *

In the meantime, the debates in the Commons have been rather humdrum.

There are no great issues before the House and, of course, there is the inertia of the pre-Christmas holiday period.

The Socialists comfort themselves with the theory that all governments are born to die, but I have not heard of anyone buying a suit of mourning just yet.

* * *

The good sense of Parliament showed itself when no one took any objection to Speaker Morrison (now Lord Dunrossil) drawing half his pension during the period that he will hold the post of Governor-General of Australia.

The government whips feared that the Socialists might go full out against the appointment, but instead the debate was good humored and brief.

A campaign has started to challenge the solo rights of the BBC in the realm of radio.

Hitherto the intrusion of commercialism has been confined to television, and in its development fabulous fortunes have been made by the pioneers.

The promoters contend that it is ridiculous to create television rights for advertisers and to ban advertisements on radio.

If the matter reaches the House of Commons, there will almost certainly be an overwhelming vote for "ads on the air".

Odd as it may seem, there is still a big public that prefers radio to TV.

With commendable shrewdness the BBC radio has concentrated heavily on music, which allows the listener to indulge in other activities such as reading books and magazines, and, of course, washing dishes.

* * *

That indefatigable ministerial thruster, Ernest Marples, is determined to make a name for himself as Minister of Transport.

Therefore he has decided to take measures that will keep London traffic moving even at rush hours.

Thus he has created a "Pink Zone" in the West End where parking will be strictly limited to authorized places.

If the motorist takes a chance, his car will be towed away without any warnings or explanations.

Worse than that, the minister is going to extend these regulations to all big cities.

Commercial vehicles will not be allowed to load and unload at key points in the centre of London between 1.30 p.m and 6.30 p.m.

Mr. Marples has a Herculean and thankless task before him, but so he had when he was appointed Under-Secretary to Harold Macmillan when that man of destiny succeeded Nye Bevan as Minister of Housing.

On that occasion, there occurred the following historic dialogue:

Macmillan: I see that our target is to build 300,000 houses this year.

Marples: That's right.

Macmillan: Well, what do you say if we build 300,000 houses?

Marples: It's a good idea.

Therefore we are expecting marvels from Marples in his new appointment. He is a go-getter if there ever was one.

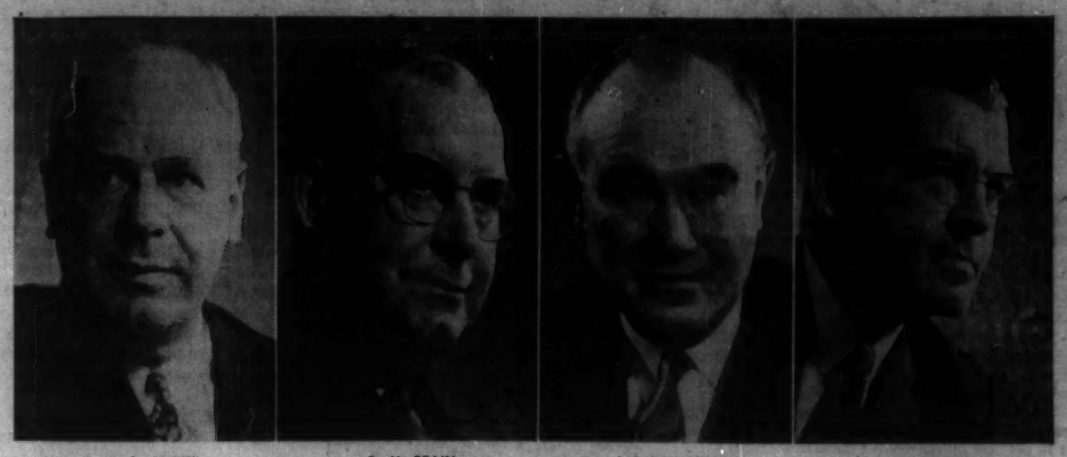
There are times when the English character is expressed so succinctly that comment is difficult.

It was so on a recent night when a man excitedly telephoned Sadler's Wells Opera box office and said that a bomb was due to explode in the theatre at 9 p.m.

When the manager was questioned by the police, he said: "We didn't disturb the audience. After all we are playing Don Giovanni and he went to hell — so we all could have gone with him had it been a bomb."

ANNOUNCEMENT

ABITIBI SALES COMPANY, LIMITED APPOINTMENTS



A. P. JEWETT — G. M. BRAIN — J. E. COTTRELLE — A. C. McGOUGAN

The appointments of A. P. Jewett as President, Abitibi Sales Company Limited; G. M. Brain, J. E. Cottrelle and A. C. McGougan as Vice-Presidents have been announced by D. W. Ambridge, President, Abitibi Power & Paper Company Ltd. All appointments were effective December 1, 1959.

Sonic Damage to Airport Called 'Freak Accident'

OTTAWA (Staff) — No changes in airport building design are contemplated as a result of the sonic explosion last summer which damaged the $6 million terminal building under construction at Uplands Airport.

The incident is dismissed as a freak accident in which the pilot failed to follow instructions. It has no implications for the government's more than $60 million a year airport building program (FP Nov. 1, 1958).

The damage occurred when a Lockheed F104A jet interceptor made two passes at 300 ft. over the terminal building. On one pass, the plane cracked the sound barrier at 750 mph.

The explosion knocked out all glass in the terminal building, window frames and loosened marble sheathing on supporting pillars.

Damage was first estimated at $5,000, then at $100,000, is now put at $500,000 — largely because much of the exterior curtain wall of the building will have to be removed to see what interior damage has been done.

Opening of the terminal, originally scheduled for September, has been postponed to the late spring or early summer.

Despite the fact that other jet aircraft will be using Canadian airports with increasing frequency, officials believe that present civil air regulations are adequate to prevent future sonic explosion damage.

The regulations control both landing and takeoff speeds:

- **On landing,** no aircraft may exceed 180 mph.
- **Takeoff speed regulations** are more flexible and they vary for different types of aircraft and different loads.

Substantially, they mean that no aircraft is permitted to fly within 1,000 ft. of a terminal building at anything approaching the speed of sound.

Military airplanes and airports are not governed by the civil air regulations. Instead, commanding officers are allowed wide latitude in the framing of flying rules. But they are asked to maintain, wherever possible, flying standards equivalent to civilian standards.

Canadians Buy $461 Million Life Policies

New life insurance purchased by Canadians during October amounted to $461.3 million, a slight decrease from the $462.6 million bought in the same month last year.

This brought purchases for the first 10 months of the current year up 7.8% over life insurance bought in the same period of 1958.

October gains in new group life sales, which rose to $83.8 million from $71.8 million in October last year, were more than offset by a decline in sales of ordinary life from $382 million to $369.5 million in the year's comparison.

Industrial life sales were also lower, falling from $8.8 million in October last year to $8 million this year.

Here is the record by provinces of sales of ordinary life insurance as compiled by the Canadian Life Insurance Officers Association:

	1959	1958
	$000	
Alberta	26,300	27,500
British Columbia	32,300	36,300
Manitoba	15,200	16,900
New Brunswick	7,900	7,500
Newfoundland	2,700	1,900
Nova Scotia	11,100	11,800
Ontario	147,400	135,500
Prince Edward Island	900	900
Quebec	115,300	112,000
Saskatchewan	10,400	11,700
	369,500	382,000

Here are the sales figures by months:

	1959	1958
	$000	
January	387,000	311,900
February	356,300	341,800
March	377,300	372,000
April	378,400	378,800
May	371,600	372,900
June	408,000	387,900
July	385,000	374,300
August	317,600	315,500
September	325,700	321,000
October	369,500	382,000
November	....	406,100
December	....	380,800

$10,000
invested in
M·A·F
MUTUAL ACCUMULATING FUND
as of Jan. 31, 1950 could have been cashed for exactly
$29,080
on Oct. 31, 1959
9¼ years later
(Initial offering price $2.50)
(31 October, 1959 bid price 7.27)

Continuous reinvestment of dividends of a managed, diversified portfolio of Canadian "growth" companies has helped to achieve this outstanding record for Canada's first and largest Compound Cumulative Mutual Fund.

Ask your investment dealer for full particulars on MAF — and how investments may be made in lump sums or under the convenient Estate Plan with scheduled payments as low as $12.50 per month.

MUTUAL FUNDS MANAGEMENT CORPORATION LIMITED
844 Howe Street Vancouver 1, B.C.

thanks to air-conditioning and heating by

Hamilton's new City Hall, will always be one of the most outstanding civic buildings in Canada.

Modern in outside appearance, but even more important, *modern* in *interior comfort!* "Climate-controlled" throughout by TRANE, for utmost working comfort and efficiency, 365 days a year.

New, striking structures such as this are constantly shooting up in Canadian cities. For them, the sound economy of air-conditioning by TRANE has its start on the drawing boards of modern-minded architects and engineers.

You'd be wise to let TRANE "Climate-control" your next structure!

Modern TRANE equipment in Hamilton's new City Hall:

Fans — *Centravac* — *Climate Changer*
Coil — *Induction Unitrane* — *Torrivent*

TRANE
COMPANY OF CANADA LIMITED, TORONTO 14
Manufacturers of equipment for air conditioning, heating and ventilating

FUTURISTIC NEW CITY HALL, HAMILTON, ONTARIO
Architect: S. M. Roscoe, Hamilton
Consulting Mechanical Engineer: L. H. Schwindt Co. Ltd., Hamilton
Associate Consulting Engineer: C. S. Leopold Engineers Inc., Philadelphia
Mechanical Contractor: Goodram Brothers Ltd., Hamilton

17J-59-2A

Fateful Month For Power On West Coast

From Our Own Correspondent

VANCOUVER — This is a month of major talks and decisions in the tangled British Columbia power picture.

This week representatives of the B. C. and federal governments meet in Victoria to discuss proposed Columbia River development, with emphasis on the valuable downstream benefits Canada expects to get from the U. S.

External Affairs Minister Green, Northern Affairs Minister Hamilton, B. C.'s Industrial Development Minister and Attorney-General Robert Bonner and Lands Minister Ray Williston will participate in these talks.

It's believed they will finalize Canada's stand on division of the downstream benefits, and put the finishing touches to Canada's submission in coming negotiations with the U. S.

The two governments are understood to have now reached tentative agreement that Canada will demand 50% of the extra power generated at U. S. installations on the Columbia as a result of storage of water in Canada.

This week in Vancouver the board of governors of **Peace River Power Development Co.** opened meetings to give final approval to the comprehensive report on Peace power development prior to its submission to the B. C. government before Dec. 31.

This report must show planned stages of development of 4,000,000 hp on the Peace, plans for marketing the power and financing plans.

The first stage, to develop 1,000,000 hp., will cost some $360 million and the evidence is mounting that the bulk of it will be raised in the U. K.

The voluminous report, FP learns, is now in the hands of a Vancouver commercial printer.

And a third meeting of significance is scheduled for Dec. 15. On that date British Columbia's newly-created energy board will hold its first session.

It is composed of Dr. Hugh Keenleyside, as chairman, Dr. Gordon Shrum, of University of B.C.; Dr. H. F. Angus, chairman of B. C.'s Public Utilities Commission; Arthur Paget, the province's water controller, and James Sinclair, former federal fisheries minister, now head of Fisheries Association of B. C.

The government has indicated that the Peace power development project will not be referred to the energy board, hence its first job may be to study coordination of Columbia development with the Peace when Canada and the U. S. reach agreement on the Columbia.

Keenleyside, formerly with U. N., is also chairman of B. C. Power Commission, the government-owned power company on the west coast.

Keenleyside is treading cautiously in his new jobs.

In his first interview with the press on power, he said only that the government had indicated to him that it wished both public and private power to continue to operate in B. C.

From other remarks he made, some observers felt Keenleyside might be opposed to export of electrical energy to the U. S.

On another aspect of the West Coast's complex power picture, B. C. received a reassuring word recently.

H. Dewayne Kreager, director of economic development for Washington state, in a Vancouver address, said that the U. S. Pacific Northwest wanted no part of the so-called "California inter-tie".

Rather, he said, the U. S. Northwest felt its future lay in integration of its electrical power system with that of British Columbia.

His statement was reassuring in that some U. S. participants in negotiations on the Columbia had been using the California inter-tie as a lever.

They had been inferring that unless Canada eased off on its demands regarding downstream benefits, the U. S. Northwest might turn to the California inter-tie and relax its current interest and emphasis on Columbia development.

But Kreager made it clear there is nothing in the inter-tie for the U. S. Northwest.

The latter has more power than California, and would ultimately find itself supplying California without reciprocal receipt of power — and the purpose of the inter-tie is reciprocal supply of power.

Berry Growers Beaten by U. S.

Our berry growers missing out badly in our own markets?

Yes, says a retail industry executive.

He pinpoints strawberry farming as one which has not kept pace with changing trends and consumer requirements.

"Quality of most Canadian strawberries available for the fresh market is far below that of California strawberries," according to V. T. Barber, director of merchandising for **Oshawa Wholesale Ltd., IGA** supply depot in central Ontario.

"The consumer is reacting accordingly," he warned the Berry Growers Marketing Board in Hamilton.

Some 28% of California crop arrives in May, before Canadian crop is available. A further 27% is marketed in June, in direct competition with local product.

"By and large our local strawberries do not even compare with the appearance, packaging and quality of fruit shipped 2,000 mi. to this market," he believes.

A few Ontario growers have developed a five-point program for improvement:

- **Grow new varieties** comparable to those of California in size and color.
- **Improve picking** methods to assure only quality fruit for fresh market.
- **Better containers** with eye appeal.
- **More efficient storage** facilities with temperature-control.
- **Rapid farm-to-market delivery** throughout the day.

Canadian growers are producing same varieties they did years ago—yet most housewives today no longer preserve fruit, are more interested in fresh quality product.

What California has done in winning a big share of North American market: They worked closely with horticultural experts, developed a unified program by growers, shippers and retailers to create a $40-million business from nothing in 14 years.

Interprovincial May Tie in U. S. Producing Field

(From Our Own Correspondent)

REGINA—Possibility of linking oil fields in the Bottineau and Burke counties in northern North Dakota to the **Interprovincial Pipe Line Co.** terminal at Cromer, Man., has been under study for several weeks.

Looking into it: **Western Crude Marketers Inc.**, Denver, headed by Cortland S. Dietler.

The company, it is understood, visualizes moving the oil east from Cromer through the interprovincial system into Minnesota where it would tie in to the pipeline grid in that state.

It would then move into the Minneapolis-St. Paul refining area and on to Chicago through other lines.

Undisclosed Canadian interests are said also to be studying such a project.

There is an estimated 10,000 b/d of crude oil available in the Bottineau and Burke county fields adjacent to the Saskatchewan border, part of which is being carried by rail tank car to markets in the Minnesota region at the present time.

Refineries now taking delivery of this crude are understood to be favorable to such a project as it would reduce their transportation costs.

It is understood that the Canadian interests studying the feasibility of such a project contemplate extension of existing pipeline systems in southeastern Saskatchewan to service the same two fields.

The crude would still enter the Interprovincial system at Cromer, but considerably less construction would be necessary to put the plan into operation.

at WALLACEBURG,
we really know the gas business!

Yes, indeed—when it comes to producing fittings for the gas industry, Wallaceburg really has the know-how. We're forging ahead. Cored-forging, to be precise . . . gas valves in particular.

The Wallaceburg range of forged gas valves has many advantages over castings. They're twice as strong, and have an exceptionally smooth, handsome finish—inside as well as out for improved gas flow.

And valves are just one aspect of our operation. In association with a British company—the world's largest manufacturer of forgings—Wallaceburg produces a full line of gas fittings for appliance manufacturers, plumbing and heating contractors.

All are compactly designed, quality made and competitively priced by Wallaceburg—the people with 52 years' experience of the gas industry.

WALLACEBURG BRASS LIMITED
WALLACEBURG, ONTARIO

AND AFFILIATED COMPANIES
Wallaceburg-Singer Limited
Dominion Die Casting Limited

BRANCHES: QUEBEC • MONTREAL • TORONTO • LONDON • WINNIPEG • CALGARY • VANCOUVER

Now dual printing is combined with fully automatic accounting! With Burroughs new series F-5000 Dual Printing Accounting Machine, there are no extra operator decisions and no extra keys to punch. The machine prints identical figures—simultaneously—on two original records. Balances are automatic without key depression. And you get new speed and flexibility. Here's why:

NEW SPEED: Faster printing time speeds machine operation, which is 100% automatic. 33⅓% reduction of posting cycle shrinks work time. NEW FLEXIBILITY: Dual printing is applicable to a wide range of accounting jobs. Programming capacity is increased up to 100%. Memory capacity is fully utilized.

Weigh these merits, together with the F-5000's keyboard input and 252 digit memory, against your accounting jobs. For details, phone our branch. Or write Burroughs Adding Machine of Canada, Limited. Factory at Windsor, Ontario.

Burroughs

"NEW DIMENSIONS / in electronics and data processing systems"

NEW BURROUGHS F-5000 FIRST FULLY AUTOMATIC ACCOUNTING MACHINE WITH DUAL PRINTING

NEW BURROUGHS F-5000 FIRST FULLY AUTOMATIC ACCOUNTING MACHINE WITH DUAL PRINTING

Now dual printing is combined with fully automatic accounting! With Burroughs new series F-5000 Dual Printing Accounting Machine, there are no extra operator decisions and no extra keys to punch. The machine prints identical figures—simultaneously—on two original records. Balances are automatic without key depression. And you get new speed and flexibility. Here's why:

NEW SPEED: Faster printing time speeds machine operation, which is 100% automatic. 33⅓% reduction of posting cycle shrinks work time. NEW FLEXIBILITY: Dual printing is applicable to a wide range of accounting jobs. Programming capacity is increased up to 100%. Memory capacity is fully utilized.

Weigh these merits, together with the F-5000's keyboard input and 252 digit memory, against your accounting jobs. For details, phone our branch. Or write Burroughs Adding Machine of Canada, Limited. Factory at Windsor, Ontario.

Burroughs—TM

Burroughs

"NEW DIMENSIONS / in electronics and data processing systems"

PROFESSIONAL DIRECTORY

• *Chartered Accountants*

GUNN, ROBERTS AND CO.
CHARTERED ACCOUNTANTS
TORONTO CHATHAM

PETTIT, HILL AND BERTRAM
Chartered Accountants
HOLLAND PETTIT, Jr. R. DOUGLAS HILL R. C. BERTRAM
T. D. WARDLAW DONALD D. HILL F. J. ROUTERY BRUCE B. PHILIP
181 BAY ST. EMpire 3-2381 TORONTO

WILTON EDDIS & COMPANY
CHARTERED ACCOUNTANTS
Federal Building, Toronto

SAMUEL GROSSMAN
CHARTERED ACCOUNTANT
S. GROSSMAN, C.A.
H. SEGAL, C.A.
Montreal, Que.
1255 University St. • UNiversity 1-6174

Getting Ahead
Astute businessmen plan for success; they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada $8; elsewhere $9 yearly.

Gaviller, McIntosh & Ward
CHARTERED ACCOUNTANTS
Collingwood • Owen Sound • Walkerton

Clarkson, Gordon & Co.
CHARTERED ACCOUNTANTS
Montreal • Toronto • Hamilton • London • Windsor
Winnipeg • Regina • Calgary • Edmonton • Vancouver

WINSPEAR, HAMILTON, ANDERSON & CO.
CHARTERED ACCOUNTANTS
Edmonton Calgary Vancouver
Dawson Creek Fort St. John

DELOITTE, PLENDER, HASKINS & SELLS
Chartered Accountants
Montreal Toronto Hamilton Chatham Windsor Winnipeg
Regina Calgary Edmonton Prince George Vancouver

V. D. Harbinson & Co.
CHARTERED ACCOUNTANTS
80 Richmond St. W., Toronto EM. 2-2757

RIDDELL, STEAD, GRAHAM & HUTCHISON
Chartered Accountants
Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Winnipeg, Regina, Calgary, Edmonton, Vancouver

COURTOIS, FREDETTE & CO.
Chartered Accountants
10 St. James St. West
MONTREAL

McDONALD, CURRIE & CO.
Chartered Accountants
COOPER BROTHERS & CO.
Chartered Accountants
Montreal Quebec Ottawa Toronto Saint John
Charlottetown Halifax Rimouski Sherbrooke Hamilton
Kitchener Winnipeg Edmonton Calgary Vancouver
Associated International Firm
COOPER & LYBRAND

PRICE WATERHOUSE & Co.
Chartered Accountants
HALIFAX MONTREAL OTTAWA TORONTO HAMILTON
WINDSOR WINNIPEG CALGARY EDMONTON VANCOUVER

ROSS, TOUCHE & CO.
Chartered Accountants
SAINT JOHN, N.B. • MONTREAL • OTTAWA • TORONTO
LONDON • WINNIPEG • REGINA • SASKATOON • CALGARY
EDMONTON • VANCOUVER • VICTORIA
Represented in the United States of America and Great Britain

WILLIAMSON, SHIACH, SALES, GIBSON & MIDDLETON
CHARTERED ACCOUNTANTS
Toronto Montreal

THORNE, MULHOLLAND, HOWSON & McPHERSON
Chartered Accountants
HALIFAX SAINT JOHN MONTREAL TORONTO GALT
KITCHENER WINNIPEG CALGARY EDMONTON VANCOUVER

W. J. McCoy & Co.
Chartered Accountants
100 ADELAIDE ST. W., TORONTO
Phones EM. 3-2329 2320

Sharp, Woodley Scott & McLaughlin
CHARTERED ACCOUNTANTS
620 ROYAL BANK BUILDING, WINNIPEG

LAVALLEE, BEDARD, LYONNAIS, GASCON & ASSOCIATES
Chartered Accountants
KENT BUILDING SHERBROOKE
10 St. James St. East
MONTREAL, Tel. MA. 7085 THREE RIVERS

How Funds Bought, Sold

See article, p. 30

Quarter ended	All Canadian Sept. 30/59	Canadian Investment Sept. 30/59	Commonwealth International Sept. 30/59	Corporate Investors Sept. 30/59	Investors Mutual Sept. 30/59	Mutual Accumulating Sept. 30/59	Canada General Aug. 31/59	New York Capital Sept. 30/59	Scudder Fund Aug. 31/59	United Funds Oct. 31/59	Net Change (shares)
AUTOMOTIVE											
Ford of Canada "A"			+95				—14,805		—11,000		—25,710
BANKS											
Banque Canadienne Nationale			+129				+1,435				+1,564
Bank of Montreal		+2,500	+929		+6,445				+500		+10,374
Do., rights					—51,563				—4,000		—55,563
Bank of Nova Scotia		—1,825	+500			+4,000				—1,000	+1,675
Canadian Bank of Commerce		+1,100	+50								+1,150
Imperial Bank			+600				+4,427				+5,027
Royal Bank		+1,000	+225				+1,000			—300	+1,925
Toronto-Dominion Bank		+675	+151							—1,000	—174
BUILDING & CONSTRUCTION											
Building Products					—3,705						—3,705
Canada Cement		+3,600									+3,600
Dom. Tar & Chemical				—1,500						+10,000	+8,500
Foundation Co. of Canada			+3,250						—36,900		—33,650
Standard Paving‡	—28,800		—1,500								—30,300
CONTAINERS											
Dominion Glass		—300									—300
FINANCE											
Argus Corp.								+2,500			+2,500
Industrial Life									+1,450		+1,450
Manufacturers Life					—400						—400
Montreal Trust							+2,000				+2,000
Traders Finance "A"									—800	—3,710	—4,510
Do., B					—1,625						—1,625
United Canadian Shares					—3,500						—3,500
FOOD & BEVERAGES											
Canada & Dom. Sugar				—1,000							—1,000
Canada Packers A		+500									+500
Canadian Breweries										+2,000	+2,000
J. Labatt		—1,200									—1,200
George Weston, A		+500			+100						+600
Do., B		+625			+1,500						+2,125
FOREST PRODUCTS											
Abitibi Power & Paper				—1,000		+2,725			+10,000	+4,300	+16,025
Bathurst Power & Paper "A"			+500								+500
Do., B			+1,075								+1,075
British Columbia For. Prods.						+3,600					+3,600
Consol. Paper									+4,000		+4,000
Crown Zeller. Can. "A"					—300						—300
Great Lakes Paper						+11,625			+5,000		+16,625
Hinde & Dauch Paper				—400							—400
Howard Smith Paper Mills				—575		+5,800					+5,225
MacMillan & Bloedel, B	—16,200					+2,000	+5,825		—16,275		—24,650
Powell River§							—13,150			+7,000	—6,150
Price Bros.		+1,000									+1,000
St. Lawrence Corp.						+13,400			+10,000	+100	+25,500
Westminster Paper									+2,075		+2,075
MERCHANDISING											
Dominion Stores			—500	—500							—1,000
Horne & Pitfield									+5,000		+5,000
Loblaw Cos. A		+500									+500
Do., B		+375									+375
Simpsons Ltd.			+3,000		+700				—10,000		—6,300
Woodward Stores "A"							+5,700			+4,000	+9,700
Zellers Ltd.			—875								—875
METALS & MINING											
Aluminium Ltd.	—2,000		+6,500	—250		+4,000			+10,000		+18,250
Canadian Bronze					—750						—750
Cassiar Asbestos									—500		—500
Central Patricia							—16,300				—16,300
Consol. Denison	—24,500										—24,500
Gunnar Mines						—10,000					—10,000
Hollinger Consol Mines		+1,500	+9,000								+10,500
Hoyle Mining								+10,000			+10,000
Hudson Bay M. & S.	—8,100	+1,000				—3,000					—10,100
International Nickel		+600	+1,900		+1,150	+3,500					+7,150
Kerr Addison		—1,700	—400								—2,100
Labrador Mining									+2,300		+2,300
Mining Corp.									—2,000		—2,000
Noranda Mines	—6,275	+1,600									—4,675
Quemont Mining										—4,900	—4,900
Steep Rock Iron Mines	+5,000										+5,000
MISCELLANEOUS											
Combined Enterprises	+30,000										+30,000
Goodyear Tire of Canada									—195		—195
Moore Corp.		+1,400	+3,400	—1,000							+3,800
N. Slater Co.				+1,250							+1,250
White Pass & Yukon Corp.								+7,500			+7,500
OIL & GAS											
Bailey-Selburn O. & G.							+4,600				+4,600
British American Oil		+1,700		—300		—2,000				—6,000	—6,800
Canadian Husky Oil					—100						—100
Canadian Oil Cos.	+1,900	+1,300			+725		+1,750			—2,000	+3,675
Cdn. Superior Oil of Calif.										—5,000	—5,000
Imperial Oil		+2,000									+2,000
North Star Oil			+3,400								+3,400
Pacific Pete							+40,000				+40,000
Texaco Canada	+4,500		+500								+5,000
Triad Oil							—39,400				—39,400
PIPELINES											
Alberta Gas & Trunk										+2,000	+2,000
Interprovincial Pipe Line		+2,825	+1,000							+300	+4,125
Trans-Canada Pipe Lines	+30,000										+30,000
Trans-Mountain Oil+P. L.	+5,400										+5,400
PUBLIC UTILITIES											
Bell Telephone										—5,000	—5,000
British Columbia Power	+35,900		+750		+5,925						+42,575
British Columbia Telephone			—2,050								—2,050
Calgary Power				—500				+1,500			+1,000
Canadian Int'l. Power									+4,000		+4,000
Consumers' Gas Co.						+3,000					+3,000
Lower St. Lawrence Pr.									—950		—950
Nfld. Light & Power			+230								+230
Quebec Telephone							+625				+625
Quebec Natural Gas	+45,100				—17,000						+28,100
Shawinigan W. & P.		+425			+41,329	+3,000					+44,754
Union Gas Co.				—2,000							—2,000
STEEL											
Algoma Steel			+5,000	—1,000	+4,535	+5,975			+20,000		+34,530
Atlas Steel	+2,000	+2,000							+10,000		+14,000
Canada Wire & Cable "B"				—475						—10,000	—10,475
Dom. Bridge						—2,000					—2,000
Dom. Foundries & Steel			+2,435						+5,000		+7,435
Massey-Ferguson						+7,100					+7,100
National Steel Car				—500							—500
Page Hersey Tubes				—1,000		—4,000			+10,000		+5,000
A. V. Roe Canada									—8,000		—8,000
Steel Co. of Canada		+1,700	+3,400		+1,000	+2,100					+8,200
TEXTILES											
Du Pont of Canada		+700	—900							—2,500	—2,700
MILLING & GRAIN											
Maple Leaf Milling				—1,000							—1,000
PREFERRED STOCKS											
Anglo-Canadian P. & P.				+250							+250
Bailey Selburn O. & G. 5%							—2,500				—2,500
B. C. Electric 5½%				+200							+200
Can. Steamship Lines 5%				+1,000							+1,000
C.P.R. 4%			+880								+880
Howard Smith Paper				+300							+300
Massey-Ferguson 5½%			+835								+835
GOVERNMENT & GOVERNMENT-GUARANTEED BONDS					$ 000						
Can. Treas. Bills				+25				+1,200	—1,000	—300	—75
Canada 2¾% /60					—600				—750	—500	—1,850
Canada 3% /39					—400						—400
Canada 3% /60					+500						+500
Canada 3¾% /65				+75	+1,300						+1,375
Canada 4¼% /72				—100							—100
Canada 4½% /72				+200							+200
Canada 5½% /60				+100	+600			+1,000		+700	+2,400
Canada 5% /62					+1,500						+1,500
Canada 5½% /62		+3,000		+100							+3,100
CNP 5% /68					—300						—300
CNR 2¾% /69					—345						—345
Man. H-Elect 5½% /69					+975						+975
Man. H-Elect 5½% /79					+275						+275
Ontario, 5½% /69					+510						+510
Ontario, 5½% /79					+175						+175
Mt. Laur. Autoroute 5¼% /79					+600						+600
CORPORATION BONDS					$ 000						
Abitibi P. & P. 4½% /66					—100						—100
B. C. Electric 6% /84										+125	+125
Cdn. Delhi Oil 5½% /73			+14								+14
Consol. Denison 5% /62					—880						—880
Greater Wpg. Gas 5½% /80					—65						—65
Industrial Accept. 5¾% /77		—300									—300
Shawinigan W & P 5½% /72					—1,117						—1,117
Simpsons 5½% /79			+10		+250		+250		+235	+30	+775
Union Accept 6⅛% /79									+500		+500
NOTES											
B.C. Packers, 5½% note						+750					+750
Industrial Accept., 5½% note						—450					—450

§Adjusted for 2-for-1 stk. split, Oct. 1. ‡Adjusted for 3-for-1 stk. split.

PROFESSIONAL DIRECTORY

• *Chartered Accountants*

NASH & NASH
Chartered Accountants
EDMONTON CALGARY
GRANDE PRAIRIE PEACE RIVER

GLENDINNING, CAMPBELL, JARRETT & DEVER
CHARTERED ACCOUNTANTS
Montreal • Toronto • Brantford • Winnipeg
Calgary • Vancouver

GEO. A. WELCH & COMPANY
Chartered Accountants
OTTAWA
BELLEVILLE CORNWALL PICTON

READ, SON, WATSON & LEITH
Chartered Accountants
London Agents: Reads, Cocke & Watson, Leith House, 47 Gresham St., London, E.C.2.
327 Duckworth Street
ST. JOHN'S, NEWFOUNDLAND
Cable Address: "Chartered"

MONTEITH, MONTEITH, RIEHL & CO.
Chartered Accountants
STRATFORD OSHAWA AJAX

• *Barristers and Solicitors*

PITBLADO, HOSKIN & COMPANY
Barristers, Solicitors, Etc.
Isaac Pitblado, Q.C., LL.D. A. Erskine Hoskin, Q.C., LL.D., D.C.L. E. H. Bennest, Q.C.
H. R. Drummond-Hay, Q.C. E. B. Pitblado, Q.C., B.A. (Oxon) O. R. Hunter, Q.C.
Alan Sweatman W. S. McEwen, Q.C. O. S. Alcaster
D. Proctor W. Grimble Y. L. Baird
R. W. McMurray R. B. Slater W. E. Ireland
J. K. Knox G. A. Paulson
395 Main Street, Winnipeg 2, Man. Telephone: WHitehall 2-6501

GOODENOUGH, HIGGINBOTTOM & McDONNELL & COLVILLE
L. G. GOODENOUGH, Q.C., LL.B. BARRISTERS & SOLICITORS
F. KEITH HIGGINBOTTOM, Q.C. TELEPHONE: EMPIRE 3-8254
WILFRED S. McDONNELL, Q.C. CABLE ADDRESS: LEGALIS, TORONTO
J. ROY COLVILLE CANADA PERMANENT BUILDING
PATRICIA C. COOPER 320 BAY STREET
G. DONALD SCROGGIE TORONTO 1, CANADA
GEORGE A. FARMER
JAMES B. FARRELL
NANCY L. CARNWATH
MURRAY C. DILLON
CARL T. GRANT

FENNELL, McLEAN & SEED
Barristers and Solicitors
WILSON E. McLEAN, Q.C. 220 Bay Street
JACK A. SEED, Q.C. Toronto, Canada
W. G. NIELD Telephone
S. W. LONG EMpire 6-7821
H. C. KERR Cable Address
R. M. TURNBULL "Thimsan"
D. J. DONAHUE
R. B. CUMINE

ROSS DROUIN, Q.C.
Barrister and Solicitor
Quebec Power Bldg.
QUEBEC, P.Q.

Getting Ahead
Astute businessmen plan for success; they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada $8; elsewhere $9 yearly.

Johnston, Sheard & Johnston
BARRISTERS & SOLICITORS
R. W. S. Johnston, Q.C. Terence Sheard, Q.C. Ian S. Johnston, Q.C.
Strachan Heighington Matthew Sheard
80 KING ST. WEST TORONTO EMpire 8-2606

MILLER, THOMSON, HICKS & SEDGEWICK
BARRISTERS & SOLICITORS
J. A. F. MILLER, Q.C. J. H. THOMSON, Q.C.
R. V. HICKS, Q.C. R. M. SEDGEWICK
C. W. LEWIS J. WILFRED HEALY
J. A. LANGFORD F. G. HAMILTON
55 YONGE STREET, TORONTO 1 Empire 6-3533

McCARTHY & McCARTHY
Barristers, Solicitors, etc.
CANADA LIFE BUILDING, 330 UNIVERSITY AVE., TORONTO 1, CANADA
HON. SALTER A. HAYDEN, Q.C. W. R. WEST, Q.C. BEVERLEY MATTHEWS, Q.C.
WILLIAM C. PERRY, Q.C. JAMES W. WALKER, Q.C. J. W. BLAIN, Q.C.
JOHN H. C. CLARRY ALEX BISSETT, Q.C. DOUGLAS G. MILNE
GORDON WALDIE JOHN W. BROOKE JOHN G. McDONALD
GERALD HAYDEN JOHN B. LAWSON GEORGE D. FINLAYSON
DONALD F. SIM PATRICK H. VERNON DONALD G. BEATTIE
MARY A. HAFFA MICHAEL B. JAMESON DONALD S. MACDONALD
DOUGLAS K. LAIDLAW GARTH MANNING PETER G. BEATTIE
DAVID A. WARD
COUNSEL
FRANK McCARTHY, Q.C.; HAROLD B. FOX, Q.C.; JOHN J. ROBINETTE, Q.C.
TEL.: EM. 6-7771 CABLE ADDRESS: "CARTAN"

KINGSMILL, MILLS, PRICE, BARRETT & FINLAYSON
BARRISTERS & SOLICITORS
Stanley S. Mills, Q.C. Timothy S. Mills
Vincent Price, Q.C. K. Duncan Finlayson
William W. Barrett Gerald C. Hallyer
111 RICHMOND ST. WEST, TORONTO 1 EMpire 6-5874

• *Certified Public Accountants*

NORMAN SHEPPARD ELLIOTT CARTLEDGE & CO
Certified Public Accountants
147 University Avenue, Toronto 1 EM. 3-9238

ANTON JENSET & CO.
Certified Public Accountants
TORONTO
Anton Jenset, Licensed Trustee in Bankruptcy

• *Designing Engineers*

B. D. BOHNA & CO. LTD.
Engineers and Contractors
• Industrial Plants • Petroleum and Process Industries
• Pipelines • Reports, Design, Supervision
VANCOUVER
857 West Broadway, TRinity 9-4551

HUMPHREYS & GLASGOW (CANADA) LTD.
Consultants • Designers • Engineers • Construction
SERVING THE PROCESS INDUSTRIES FOR OVER 70 YEARS
PETROLEUM • CHEMICAL • PULP & PAPER • PETRO-CHEMICAL • MINING • GAS
LESLIE AT SHEPPARD AVE. E., DON MILLS, ONTARIO HI. 4-8471

PROFESSIONAL DIRECTORY

• *Consulting Engineers*

L. H. SCHWINDT & CO. LIMITED
ENGINEERS
MECHANICAL • CIVIL • ELECTRICAL
BOX 516, BURLINGTON, ONTARIO

RACEY, MacCALLUM and ASSOCIATES LIMITED
A company owned and operated by
Consulting Engineers
Civil — Electrical — Mechanical — Metallurgical — Mining — Soils Engineering
MONTREAL: HU. 9-4941 TORONTO: EM. 6-5641 VANCOUVER: BA. 8221

BEAUCHEMIN - BEATON - LAPOINTE
CONSULTING ENGINEERS
INDUSTRIAL • MUNICIPAL • PUBLIC WORKS PROJECTS • BUILDING & SITE SERVICES
REPORTS • ESTIMATES • DESIGN • CONSTRUCTION SUPERVISION
6655 COTE DES NEIGES RD. MONTREAL 26, CANADA REGENT 3-8268

B. C. ENGINEERING COMPANY
LIMITED
CONSULTING ENGINEERS
PLANNING, FEASIBILITY STUDIES, ENGINEERING DESIGN, RESEARCH, TESTING, INSPECTION AND SUPERVISION OF CONSTRUCTION
570 DUNSMUIR ST. VANCOUVER 2, B.C.

CRIPPEN WRIGHT ENGINEERING LTD.
ENGINEERING CONSULTANTS
Hydro Electric Projects
Civil, Hydraulic, Structural, Power
Bridges, Tunnels, Causeways, Dams
207 West Hastings Street Vancouver, Canada

H. G. ACRES & COMPANY LIMITED
NIAGARA FALLS CONSULTING ENGINEERS VANCOUVER

CATALYTIC
CONSTRUCTION OF CANADA, LIMITED
Designers — Consultants — Contractors
FOR THE
Petroleum, Petro-Chemical, Chemical, Pulp, Mill, and Mining Industries
600 S. VIDAL ST. SARNIA, ONT. | 900 YONGE ST. TORONTO, ONT. | 837 WEST HASTINGS ST. VANCOUVER, B.C.

D. P. MacVANNEL & ASSOCIATES
Consulting Professional Engineers
Civil, Mechanical & Electrical Services — Elevator Planning & Supervision
Contract & Material Control — Special Procurement & Expediting — Inspection
154 Windward Cres., Pointe Claire, Que. OX. 5-6571

CANADIAN BRITISH ENGINEERING CONSULTANTS
Water Supply and Distribution. Sewerage and Sewage Disposal. Treatment of Industrial Wastes. Town and Regional Planning. Docks, Harbours and Marine Works
Toronto, Ont. 1662 Avenue Rd. | Ottawa, Ont. 46 Elgin St. | Halifax, N.S. P.O. Box 93

The WARNOCK HERSEY Company Ltd.,
Consulting, Inspection, Testing
Expediting, Appraisals
OFFICES & LABORATORIES COAST-TO-COAST
HEAD OFFICE — 128 ELMSLIE STREET, MONTREAL 32, P.Q.

FORESTERS • ENGINEERS • BUSINESS CONSULTANTS
C. D. SCHULTZ & COMPANY LIMITED
325 HOWE STREET, VANCOUVER
In U.S.A., White-Henry-Stuart Bldg., Seattle

POWER CORPORATION OF CANADA LIMITED
CONSULTING DIVISION
Economic Analyses
Advisory Services
355 ST. JAMES ST. WEST — MONTREAL 1, P.Q.

Stadler Hurter
International Ltd.
ENGINEERS • DESIGNERS • CONSULTANTS
Industrial • Commercial • Municipal • Process • Power
1501 ST. CATHERINE ST. W., MONTREAL
NEW YORK • MEXICO CITY • PARIS • ZURICH

DE LEUW, CATHER & CO. OF CANADA LTD.
CONSULTING ENGINEERS
Public Transportation
Subways
Expressways & Highways
Bridges & Grade Separation
Traffic & Parking
Railroad Facilities
Harbour Development
Elevators & Materials Handling
Industrial Development & Plants
Urban Planning and Renewal
Municipal Works
1491 Yonge Street Toronto 7. WA. 5-3124
226 Sparks Street Ottawa. CE. 3-9663

JAMES F. MacLAREN ASSOCIATES
Consulting Engineers
Municipal engineering
Water supply and purification
Sewerage and sewage disposal
Waste treatment and refuse disposal
Drainage and flood control
Transit structures and bridges
321 Bloor Street East, TORONTO 5, ONTARIO
WA. 5-2481

This is an exclusive series on 26 Selected Growth Stocks chosen by one of the continent's most prominent and successful investment advisers. Each company will be reviewed here quarterly. This series does not constitute a recommendation to buy.

SELECTED GROWTH STOCKS

CPR Rail Earnings Higher, But Other Income Declines

- *Railway labor talks may have far-reaching effects . . .*
- *Falconbridge output up; taxes, write-offs cut net . . .*

By NESTOR

CANADIAN PACIFIC RAILWAY net rail earnings for the first 10 months totaled $27.4 million, up 4% from $26.3 million for the same period last year.

Rail revenues have mounted steadily, reaching $399 million for the 10 months —up 3.2% from $387 million the year before. Expenses rose at a similar rate— $372 million vs. $361 million.

For the six months ended June 30, earnings per share were 81c, down from 91c. These half yearly figures show a decline in income from other than rail sources — to $4.7 million from $6.5 million in corresponding 1958.

Company declines to specify which "other sources" caused the drop.

Last week important labor talks opened in Montreal between Canada's railways and 15 unions representing some 120,000 non-operating railwaymen. The outcome of these contract talks promises to have far-reaching effects on next year's cost picture for CPR.

Unions are asking for increases that the railways reckon would add another $65 million annually to the wage bill. And, as has become the accepted rule in these matters, the "non-ops" settlement becomes the basis for payment to many other employees. So the total increase would reach about $97 million — if unions get what they want.

The ratio of CPR to CNR employees is roughly 40-60. That means CPR is asked to face a potential wage increase of just under $40 million next year — or about $7 million more than 1958's net profit of $32.9 million.

The talks could be tough. At one time, by agreement between labor and railway management, the non-ops were to be paid at the same rate as workers in the durable goods industries. The present demands, if granted, would bring them up to that level.

However, the government has told both railways they can look for no freight rate increases until the report of the Royal Commission set up to examine the picture has been presented— at least 18 months from now. Railwaymen see little chance of improving revenues greatly without a big boost in freight rates.

Subsidiary Canadian Pacific Airlines got good news last month when it was named as Canadian carrier into Rome. Starting next spring, it will extend its Montreal-Lisbon-Madrid service to that important traffic point.

Initially it will operate two Britannia flights there weekly.

CPA's long-awaited decision on big jets was made a month ago. CPA has ordered four DC-8s powered by **Rolls-Royce** Conway engines at a cost of nearly $6 million each. Options on another five have been taken.

There was considerable dispute within CPR-CPA management circles over the purchase. Some executives were in favor of leasing **Boeing** 707 jets this winter and beating TCA to the draw with a trans-continental jet service. As things stand now it will be spring, 1961, before the CPA jet service is operating, with TCA having the full year's advantage.

At recent market price of $24, common stock is 26% above UV level ($19), could rise 96% before reaching OV level ($47). Price is 11.5 times 1958 earnings of $2.09 per share. Yield is $6.25% at indicated annual dividend rate of $1.50 per share. Price this year has ranged between a high of $31⅜, a low of $23⅞.

• • •

FALCONBRIDGE NICKEL MINES will probably show a big gain in operating profits this year, but increased taxes and heavy write-offs will diminish the effect on net profit.

Result, according to some analysts, will mean earnings only slightly better than last year's level of $1.88 a share.

In the first half this year, the extra tax bite and heavy write-offs knocked profits down 18% compared with the previous year, despite a gain of 6% in operating profit. First half earnings were 71c a share.

The extra large write-offs are expected to affect the second half results as Falconbridge will likely continue to write off the income applicable to the U. S. government's premium price contracts. These contracts call for prices well above the current 74c per lb. market price of nickel.

Output this year is expected to climb sharply. By the end of the first half, the rate of output climbed over the rated capacity of 55 million lb. of nickel per annum. The higher output reflects the start of regular production at the Fecunis mine, which got underway late in the first half.

Because of the processing time lag, there was no output of refined metal from the Fecunis ore in the first half and earnings were not affected. **Second half earnings are expected to reflect the higher operating rate.**

The Fecunis mine is operated under a contract by **International Nickel Co. of Canada,** and accounts for nearly 30% of the Falconbridge mill feed. Because it is a new mine, output is tax free for three years under Canadian income tax laws.

Sales of nickel are at record levels this year. Even the prolonged steel strike in the U. S. did not affect sales, despite the fact that stainless steels provide the largest market for nickel.

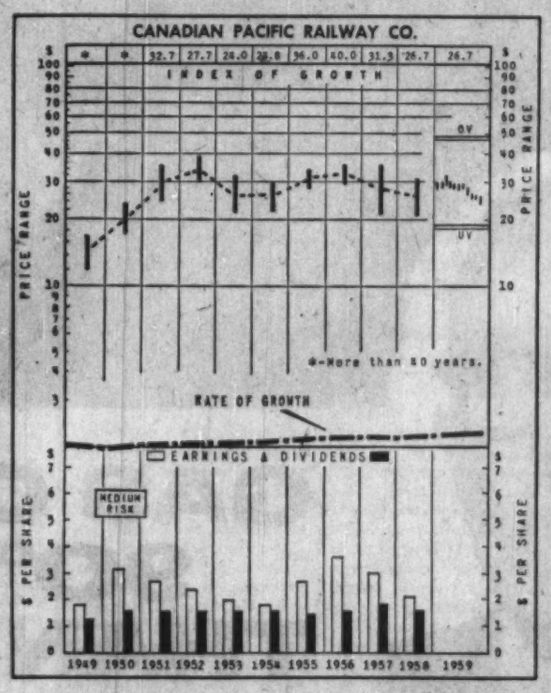
Some observers say that the steel strike actually averted a shortage of nickel, as demand built up quickly in the first half of the year. Falconbridge anticipated no difficulty in selling its entire output this year.

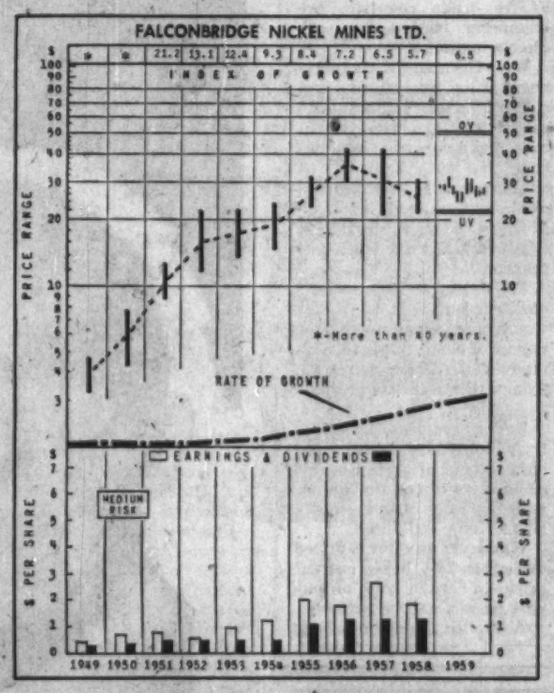
In addition to the strong demand for nickel, prices of other metals that Falconbridge produces continued to improve during the year. Copper has, on the average, been at a higher price this year (now at 30c a lb. in Canada), and prices have improved substantially for the platinum metals.

The high premium on the Canadian dollar offset a large portion of the increase in metal prices during the early part of the year. But the recent decline of the premium should help Falconbridge earnings in the final quarter.

Falconbridge is continuing its probe for new orebodies, both in the Sudbury area and in the Caribbean. The Strathcona orebody in the Sudbury area has been probed by further diamond drilling this year, and exploration and metallurgical testing have been carried out on the lateritic deposits in the Dominican Republic.

At recent market price of $29, common stock is 32% above UV levels ($22), could rise 72% before reaching OV level ($50). Price is 15.4 times 1958 earnings of $1.88 per share. Yield is 4.14% at indicated annual dividend rate of $1.20 per share. Price this year has ranged between a high of $32, a low of $24⅝.





How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS. Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjusted as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV or OV levels a current quotation of, say, 53 or 73 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

*Background and principles behind the selection by Nestor were discussed in a special article in FP, Jan. 16, 1953. A limited number of reprints are available on request.

Mining

CANADIAN DYNO MINES had a net loss of $1,699,342 in the year ended July 31, 1959. This was the first full year of production at the Bancroft area uranium mine. In the previous year income from production ($752,227) was applied against deferred development and preproduction.

Since yearend, Dyno has retired $174,500 of the $1,180,000 of first mortgage bonds that are due on July 31, 1960. Schedule for retirement of the $3,660,000 outstanding at fiscal yearend was revised by bondholders at a meeting held June 5, 1959.

To assure continuous supply of mill feed, it was decided to deepen the shaft from 970 to 1,720 ft. providing for six new levels, President S. A. Perry states. The sinking is nearing completion, and ore is expected to be available from the first of the new levels in early 1960.

During the fiscal year, a total of 381,750 tons of ore were treated. The mill feed averaged 1.23 lb. U_3O_8 per ton. Production totaled 452,637 lb of oxide with a value of $4,799,155. Operating costs averaged $8.67 per ton milled during the year.

Ore reserves are not estimated due to the complex nature of the orebodies. But the report states that development work and drilling to the end of the year indicated an additional 12 months' supply at rated mill capacity, all above the 5th level.

Company Report

INCOME ACCOUNT

Year ended July 31:	1959
Prod. rev.	$4,790,155
Less: Oper. exps.	3,350,763
Oper. prof.	1,448,387
Add: Int. earned	21,858
Less: Funded debt int.	580,219
Bond disc. & exps. (net)	223,415
Deprec.	1,646,291
Def. dev. exps.	719,662
Net loss for year	1,699,342

Note—Production revenue of $752,227 earned from start of production on May 1, 1956 to year end on July 31, 1958, was applied against deferred development and preproduction expenses.

Earnings per share	439.87
Shares o/s at July 31:	
Common, $1 par	2,346,000

CONDENSED CONS. BALANCE SHEET

As at July 31:	1959	1958
Cash	.....	$285,659
Cons.; settlements	$800,467	373,201
S.t. notes & gov't bds.	380,640	662,441
Accts. rec.	12,708	8,506
Total curr. assets	1,272,835	1,349,807
Invest., adv., subs.	783,300	793,200
Mat. & supplies	225,629	230,876
Prep. exps. & deps.	104,711	150,093
Def. dev. exps.a	2,274,512	3,442,692
Other def. assets	819,000	1,136,176
Mining prop.	319,468	429,804
Fixed assetst	6,087,299	7,598,478
Total assets	12,497,491	15,122,126
Bank overdraft	120,296	.....
Accts. pay. & accr.	386,317	501,329
S.f. instal. due	1,180,010	2,000,000
Total curr. liabs.	1,686,613	2,501,329
Long term debt	7,383,676	7,993,775
Capital stock	2,346,000	2,346,000
Contrib. surplus	2,181,918	2,181,918
Earned surplus	*1,812,916	*806
aAfter write-off of	719,662	.....
†After deprec. of	1,646,291	.....
‡Represents premium on sale of shares.		
*Deficit.		
Working capital	$425,778	‡1,151,523

‡Excess of curr. liabs. over curr. assets.

PROFESSIONAL DIRECTORY

• *Consulting Engineers*

James W. Jamieson, P. Eng.,
CONSULTING ENGINEER
Structural Design, Site Investigations, Inspections and Supervision of Construction Throughout the North.
P.O. Box 832 144 Main Street West | GRevor 4-0650 | North Bay Ontario

ENGINEERS CONSULTANTS CONSTRUCTORS
SERVING THE
PETROLEUM, CHEMICAL AND GAS INDUSTRIES
REPORTS — ECONOMIC STUDIES — PROCESS DESIGN — COMPLETE PLANT DESIGN — CONSTRUCTION MANAGEMENT — COMPLETE CONSTRUCTION
196 PARKDALE N. HAMILTON, ONT. | SARNIA, BOX 208 WINNIPEG, BOX 134

LAUGHLIN, WYLLIE & UFNAL
CONSULTING PROFESSIONAL ENGINEERS
Planning, design and supervision of industrial plants, buildings, roads and bridges, grade separation structures, mine structures, foundation, reports, evaluations.
Member Association of Consulting Engineers of Canada
53 Kipling Ave. S., Toronto 18 Tel. BE. 2-0441
W. H. M. Laughlin, M.A.Sc., C.E., P.Eng., J. F. Wyllie, B.E., P.Eng., S. S. Ufnal, B.A.Sc., P.Eng.

Sir Alexander Gibb & Partners
Consulting Engineers
MARINE • HYDRO-ELECTRIC • THERMAL POWER • IRRIGATION • BRIDGES
ROADS • AIRPORTS • WATER SUPPLY • DRAINAGE • INDUSTRIAL TOWN PLANNING
TORONTO, ONT. OTTAWA, ONT. VANCOUVER, B.C.

• *Economic Consultants*

MARCEL BELANGER, M.A. (Economics)
Economic Consultant
Labor Relations — Economic Surveys
376 DU ROI EST QUEBEC CITY
Telephone: LA. 2-2709

• *Architects and Engineers*

GORDON S. ADAMSON & ASSOCIATES
ARCHITECTS
INDUSTRIAL, COMMERCIAL, INSTITUTIONAL BUILDINGS
52 ST. CLAIR AVE. E. TORONTO WA. 3-4336

KYLES & KYLES
INDUSTRIAL INSTITUTIONAL | ARCHITECTS | COMMERCIAL SITE REPORTS
247 JOHN ST. S., HAMILTON, ONT.
150 DOWNIE ST., STRATFORD, ONT.

• *Patent Attorneys*

FETHERSTONHAUGH & CO.
PATENTS & TRADEMARKS
Geo. E. Leatham
Roy H. Soffrey
Robt. L. Westell
600 University Avenue, Toronto 1

Need more money?
Investment news in The Financial Post can help you in many specific ways. Read it regularly. Subscribe today.
In Canada: 20 a year; 5 years $14
Elsewhere: $9 a year; 5 years $39

• *Management Consultants*

J. EDGAR DION
Consulting Management Engineer
400 Canada Cement Building
Montreal 2 UN. 6-7092

PAYNE-ROSS
LIMITED
management consultants
TORONTO, Board of Trade Building, EMpire 3-8282
VANCOUVER, 1200 Burrard Building, MUtual 3-2844
MONTREAL, 550 Sherbrooke St. W., AVenue 8-6193
Affiliated with
Bruce Payne and Associates Inc., United States, South America and Europe

URWICK, CURRIE
LIMITED
MANAGEMENT CONSULTANTS
MONTREAL 507 PLACE D'ARMES, AVENUE 8-5209
TORONTO 80 KING ST. W., EMPIRE 6-2193

WARNOCK HERSEY
MANAGEMENT CONSULTANTS LTD.
128 ELMSLIE ST./ MONTREAL 32—600 SHERBOURNE ST., TORONTO

STEVENSON & KELLOGG, LTD.
Consulting Management Engineering
• Marketing & Economic Studies
• Standard Costs — Flexible Budgets
• Wage & Salary Administration
• Production Planning & Control
• Work Measurement & Incentives
• Organization Planning
• Operations Research
• Personnel Appraisal
• Plant Location & Layout
• Procedures & Data Processing
TORONTO 130 Eglinton Ave. E. | MONTREAL 907 Sun Life Bldg. | VANCOUVER 810 Royal Bank Bldg.
MEMBER ASSOCIATION OF CONSULTING MANAGEMENT ENGINEERS

GA GLOVER ASSOCIATES (CANADA) LTD. Management Consultants
McColl-Frontenac Bldg.
Montreal, AV. 8-3223

PAUL E. DUFRESNE
L. G. DAIGNAULT
T. E. McLAGAN
DUFRESNE, McLAGAN, DAIGNAULT INC.
Scientific Management Consultants
Cost reduction for manufacturing, service and distributing operations. Organization—Management—Controls.
DUFRESNE, McLAGAN & ASSOCIATES LTD.
Labor Relations and Personnel Administration
4455 Sherbrooke St. W., MONTREAL • WE. 7-4217

PROFESSIONAL DIRECTORY

• *Actuaries and Consultants*

TOWERS, PERRIN, FORSTER & CROSBY (CANADA), LTD.
INTERNATIONAL AVIATION BUILDING
1080 UNIVERSITY STREET, MONTREAL 2, QUE.
Montreal—UNiversity 6-5721 Toronto—ZEnith 9-9800

• *Management Consultants*

ASSOCIATED INDUSTRIAL CONSULTANTS (CANADA 1952) LTD.
600 Royal Bank Building, TORONTO 1, EMpire 3-9748
312 Dominion Square Building, MONTREAL 1, UNiversity 6-8359

KCS LIMITED
MANAGEMENT & TECHNICAL CONSULTANTS
Toronto: 20 Spadina Rd. WA. 4-3381 Montreal: 640 Cathcart St. UN. 6-2477

P. A. MANAGEMENT CONSULTANTS LTD.
602 Royal Bank Building, Toronto 1, Ont., EMpire 6-6715
436 Main St., Winnipeg 2, Man., WHitehall 3-5302
276 St. James St. West, Montreal, Que., Victor 9-6917
Co-ordinated with services in the U.K., U.S.A., Europe and Australia

WOODS, GORDON & CO.
MANAGEMENT CONSULTANTS
507 Place d'Armes, Montreal, Que.
15 Wellington St. West, Toronto, Ont.
1030 W. Georgia St., Vancouver, B.C.
Member of Association of Consulting Management Engineers, Inc.

C. C. PARKER AND ASSOCIATES LIMITED
Eastern Canada
C. C. PARKER, WHITTAKER AND COMPANY LTD.
Western Canada
CONSULTING ENGINEERS FOR INDUSTRIAL AND PUBLIC WORKS
HAMILTON LONDON EDMONTON CALGARY

Leetham, Simpson Limited
Management Consultants
550 SHERBROOKE ST. WEST, MONTREAL

Here are clues to profit

A businessman's judgment is no better than his information. You can profit from Canada's bustling growth—as other businessmen do — through The Financial Post. Here is Canada's most comprehensive business news service. Every week, The Post helps you gauge the swing of business and investments. It helps you plan with confidence, make sound decisions. In brief, it helps you make more money because it helps you anticipate trends and developments across the nation. Yearly by mail in Canada $8; elsewhere $9 yearly.

European Roundup

NEWS FROM THE BUSINESS CAPITALS OF EUROPE...

By ERNEST WAENGLER

THE SIX countries of the European Common Market are just discovering that one of the less publicized prerequisites of economic integration is likely to cause even more problems than the abolishing of duties within the area and the equalizing of external tariffs.

To achieve free and equal competition within ECM, it will also be necessary to establish a unified system of direct taxation, which will mean a complete overhaul of the tax structure in the member countries.

In France and Italy, where tax dodging has long been a favorite national sport, income taxes are largely based on "outward signs of wealth", a system distasteful to other ECM members.

In West Germany, profit taxes play a far more important role than elsewhere. Depreciation rules differ widely from country to country.

In some countries, income from government bonds is tax exempted. Farm income is practically tax free except in Holland.

Experts believe that it will be a slow and painful process to work toward acceptable compromises in this field.

* * *

European steel industries foresee a heavy increase in demand for 1960

The six member countries of the European Coal & Steel Community have just announced that they anticipate a 1960 steel production of 67 million tons which will still be seven million tons less than their full capacity.

The 1959 production of the six is estimated at 62.5 million tons, 4.5 million tons more than last year.

* * *

A principle long advocated by some Canadian manufacturers, that of discriminatory import policies against goods that are cheaper than world prices, is slowly gaining ground in Europe.

Significantly, the traditional free-trade countries are clamoring loudest for such discrimination.

West Germany is currently negotiating quantitative restrictions on the import of Japanese textiles, optical instruments and toys, but emphasizes that such bilateral quotas can only be a temporary solution and that all Western countries should get together and work out a fair solution.

The Japanese have made a counter-proposal that they would themselves restrict the export of cheap goods to Germany if the Germans refrain from a discriminatory quota

* * *

Under pressure from industry, Switzerland has decided on a system of price controls on imports of certain textiles and clothing from Japan, Hong Kong and India.

Whenever an offer is priced more than 20% below current prices in Switzerland, an import permit will be refused.

A similar system has been in force for some years with regard to textile imports into Switzerland from communist sources.

* * *

Within two years, France hopes to have eliminated all import restrictions on industrial goods, not only from the rest of Europe but also from Canada and the U.S.

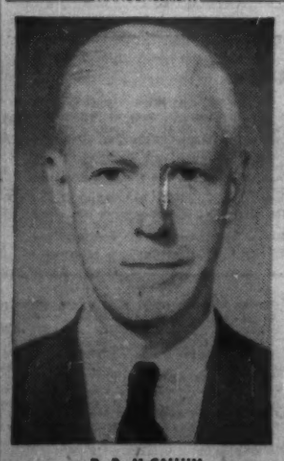
The promise was made by Finance Minister Pinay before the National Assembly when he presented the second French austerity budget for 1960.

He also predicted that next year would be the first time that France will be able to balance her budget without new taxes or foreign aid.

* * *

On March 1, 1960, Denmark intends to abandon import restrictions almost completely and to abolish duties on most raw materials. Duties on finished products will be increased at the same time.

ANNOUNCEMENT



D. R. McCALLUM

Donald R. McCallum, assistant superintendent of the international department at the Bank of Montreal's head office, has been appointed a superintendent of the same department.

Born in Ailsa Craig, Ont., Mr. McCallum joined the bank in 1929 and served extensively at branches in Ontario until 1957 when he moved to the international department as assistant superintendent.

The Seaway Brings World Markets to Our Door!

Sault Ste. Marie is the logical place for new industries because of its strategic location on the Seaway.

Situated near the famous "Sault Locks", world shipping converges at this point, opening our doors to world markets.

Other conditions are equally ideal:

Transportation is furnished by the Canadian Pacific and Algoma Central & Hudson Bay Railways, Trans Canada, Capitol, and North Central Airlines and coast to coast transports.

Power is to be had in any quantity at rates that are among the lowest in Canada.

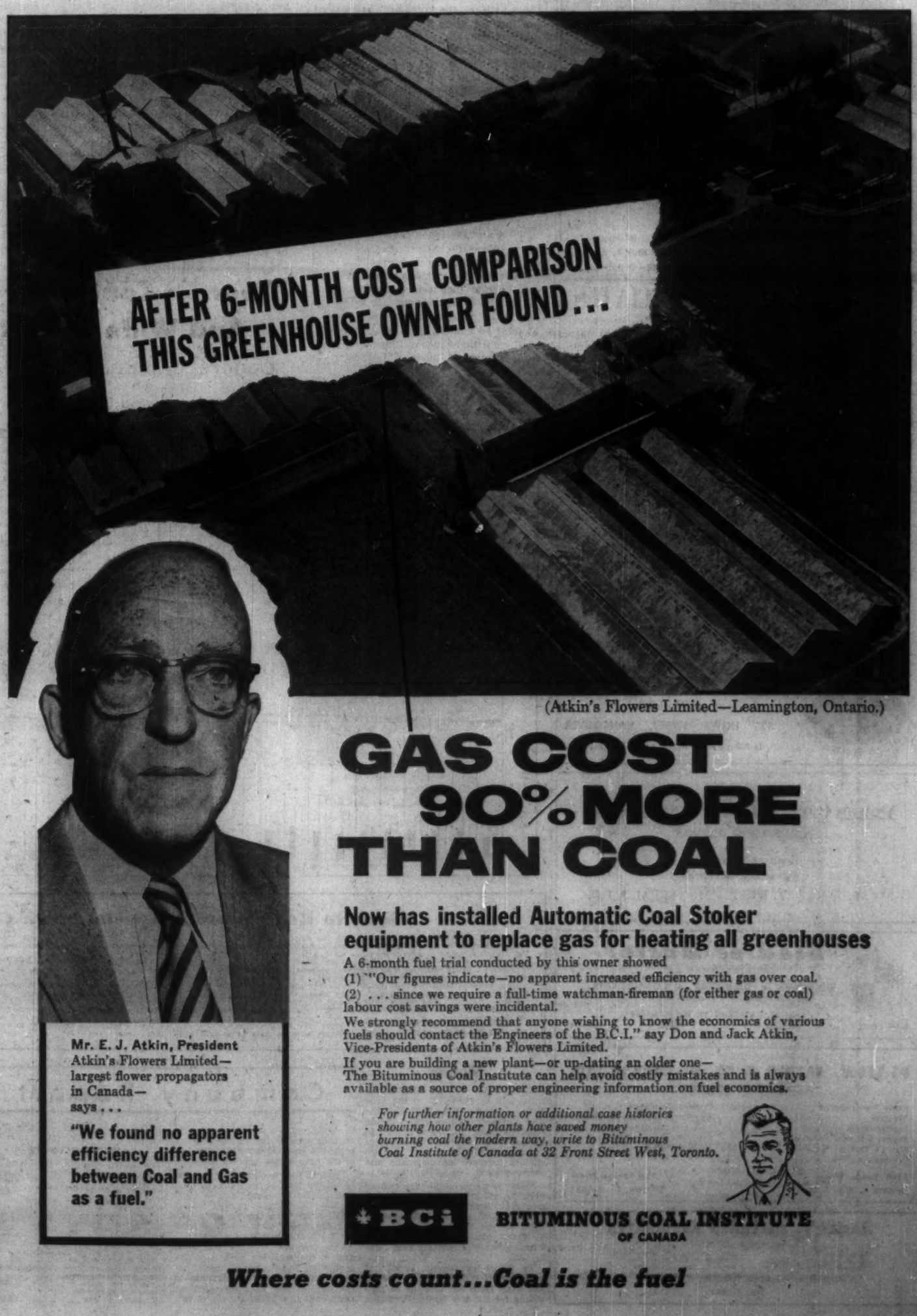
Water, important to industry, is no problem in Sault Ste. Marie which is situated on Lake Superior, the largest body of fresh water in the world.

A friendly city of 42,000, the "Soo" is a pleasant place to live for factory workers and their families. It is in the heart of wonderful fishing and hunting and has modern schools, churches and recreational centres.

IF YOU ARE LOOKING FOR A FACTORY SITE TAKE A REAL GOOD LOOK AT—

SAULT STE. MARIE
ONTARIO

FOR FULL INFORMATION OR PERSONAL INTERVIEW WRITE: ALDERMAN WALTER J. CHISHOLM, CHAIRMAN INDUSTRIAL COMMITTEE, CITY HALL, SAULT STE. MARIE, ONTARIO



(Atkin's Flowers Limited—Leamington, Ontario.)

Mr. E. J. Atkin, President
Atkin's Flowers Limited—
largest flower propagators
in Canada—
says . . .

"We found no apparent efficiency difference between Coal and Gas as a fuel."

GAS COST 90% MORE THAN COAL

Now has installed Automatic Coal Stoker equipment to replace gas for heating all greenhouses

A 6-month fuel trial conducted by this owner showed
(1) "Our figures indicate—no apparent increased efficiency with gas over coal.
(2) . . . since we require a full-time watchman-fireman (for either gas or coal) labour cost savings were incidental.
We strongly recommend that anyone wishing to know the economics of various fuels should contact the Engineers of the B.C.I." say Don and Jack Atkin, Vice-Presidents of Atkin's Flowers Limited.
If you are building a new plant—or up-dating an older one—
The Bituminous Coal Institute can help avoid costly mistakes and is always available as a source of proper engineering information on fuel economics.

For further information or additional case histories showing how other plants have saved money burning coal the modern way, write to Bituminous Coal Institute of Canada at 32 Front Street West, Toronto.

BCi BITUMINOUS COAL INSTITUTE OF CANADA

Where costs count...Coal is the fuel

Challenge Of The 60's... Growth With Stable Prices

Past Decade An Era Of Extraordinary Expansion

International Co-operation Increasingly Important, F. William Nicks, President, The Bank of Nova Scotia, Tells Shareholders At The Bank's 128th Annual Meeting In Halifax, N.S.

The year just drawing to a close has turned out to be a quite encouraging one in terms of production and general economic activity. When we met here a year ago, the recovery had been going on for some months, but only gradually and without much steam. About that time, however, it began to move strongly ahead, and before the middle of this year industrial production had exceeded its pre-recession peak by a comfortable margin. The pace of recovery moderated a bit during the summer, partly because of the lumber strike in British Columbia and the early model-changeover in the automobile industry. In spite of this, however, it looks now as if the Gross National Product for the full year will turn out to be about $34¼ billions, compared with last year's $32½ billions. Of this 7% increase perhaps 5 to 5½% would represent a gain in actual volume, the remainder being accounted for by a moderately higher average level of prices.

F. WILLIAM NICKS
President
The Bank of Nova Scotia

We are now coming to the close of one decade and are on the threshold of another, and I should like you to look back with me over the 'fifties, to see how far we have come in ten years, and then to look forward with me to the 'sixties—at some of the prospects and problems of the coming decade.

A Decade of Extraordinary Growth

The outstanding feature of the economic record of the 1950's is the really extraordinary amount of growth that has taken place in this comparatively short span of time.

In terms of people, Canada is 30% larger than she was ten years ago—a rate of increase matched in only one other decade in her history, that of the western land boom in the first years of this century. Since the beginning of the 'fifties, more than a million and a half immigrants have come to Canada, contributing their skills to the Canadian economy, enriching our cultural life and enlarging the Canadian market. Meanwhile emigration has been relatively smaller than in most past periods, the birth rate has been sustained near the postwar peak, and the death rate has continued to fall. The net result has been a total increase in the population of just about four million. A few months ago we passed the 17½ million mark—far outdistancing the population projections made in the 'forties.

In terms of production the record is even more impressive, for the Canadian economy, measured by the volume of its total annual production of goods and services, is at least 50% larger than it was on the eve of the 'fifties. This astonishing growth in output has stemmed both from the rapid expansion in the world economy and from the marked increase in domestic consumption. It has been made possible by the very high rate of capital investment that has prevailed throughout the period. On the average over 24% of the annual gross national expenditure has gone into fixed capital assets. The lowest percentage was about 22, the highest an extraordinary 27½. In the aggregate, during the decade more than $65 billions has been expended, three-fifths of it on new productive facilities of one kind and another, and the remaining two-fifths on housing and "social capital"—municipal services, schools, hospitals and highways.

Behind these cold figures lies a physical reality that must stir the imagination of all Canadians. Kitimat, one of the first of the big new postwar industrial projects in the Canadian wilderness, was still in the planning stage in 1950. It has been followed by others scarcely less colourful all across the north. And the growth and diversification of the Prairie economy as a result of the oil and gas boom is a dynamic story still unfinished. The tapping of this hitherto unexploited wealth has given Canada four major new export products—oil, iron ore, uranium and natural gas—which were negligible or entirely absent from the export figures in 1950.

Meanwhile in many long-established industries, both export industries and those oriented to the domestic market, growth has been rapid. To mention only some with very high growth rates—hydro-electric generating capacity has doubled, capacity to produce pulp and paper has increased by about 50%, and basic steel capacity by 70%, while the chemical industry has grown by leaps and bounds in both central Canada and the West.

It would be untrue to say that all regions of Canada have shared equally in the great surge of development that has taken place, as you in the Atlantic Provinces well know. But certainly none has been left untouched. All over the country under the stimulus of industrial and commercial expansion, cities have burst their seams and spilled over into new suburbs. Networks of power lines and pipelines and a trans-continental micro-wave system now thread their way across the landscape, linking the far-flung regions of Canada in ways hardly dreamed of a generation ago. And the completion of the Seaway through the industrial heart of the country has at long last opened up the interior of the continent to large ocean-going vessels. Looking back, it is hard to believe that so much could have happened in ten short years.

A Rapidly Rising Standard of Living

One of the most significant aspects of the 50% growth in output during the 1950's is that it has been accomplished with an increase of only 22% in the labour force. This is striking testimony, surely, to the rising productivity of our economy. Technological progress has been rapid. Many new products have appeared, and new machinery and methods have greatly increased output per man-hour.

Naturally enough, all this has been reflected in a rising standard of living. Real incomes have improved significantly, giving Canadians more money to spend on goods and services over and above essential food, clothing and shelter.

The Costs of Rapid Expansion

The picture, then, at the end of the 'fifties is of a much larger and more productive economy—an economy with a greatly expanded capacity to export—an economy, too, with a much higher standard of living and a much bigger consumer market.

The achievements of the 'fifties have not, however, been without their costs. The swift pace of development and the substantial rise in the standard of living have depended greatly on the use of foreign, and particularly U.S., resources. I am not going to deplore the inflow of foreign capital or go into any of the complex and much-discussed problems of foreign ownership and control of Canadian resources. It is hard to envisage a satisfactory rate of development of Canada's resources without the substantial participation of foreign capital and the techniques, business know-how and market connections often associated with it. I do want to suggest, however, that we should give serious thought to some of the consequences of so great a dependence on outside resources and to some of the other costs of going ahead so fast.

For one thing, during the past year we have become more vulnerable to any sudden shift in money market conditions or in U.S. investor interest, since a good deal of the capital inflow financing the big deficit in our current international transactions has been of a special or short-term character. Moreover, payments of interest and dividends as a result of our heavy calls on U.S. capital are almost bound to go on rising, thus tending to prolong our substantial deficit on current international account. Even in 1958, when merchandise imports contracted as a result of the business recession, we "lived beyond our means" to the extent of over $1 billion. And this year, with the recovery in business, the deficit has swollen again to somewhere around the 1957 record of $1.4 billion. This is not a state of affairs about which we can afford to be complacent.

So far, of course, the inflow of capital has been more than sufficient to cover the enormous current-account deficit. It has been large enough in fact to keep the Canadian dollar at a substantial premium during most of the time since the exchange rate was freed in 1950. Twice in fact—during the summer of 1957 and again in recent months—the premium has risen above 5%. This strength, gratifying as it may be to the Canadian ego, has its drawbacks. It complicates the problems of Canadian producers in both export and domestic markets, especially at a time like the present when international competition has become so much more intense.

But perhaps the most serious cost of doing so much so quickly is the dislocation a capital investment boom produces.

Looking back, we in Canada must admit that our capital investment boom of 1955-57 did get a little out of hand. We reaped some unpleasant consequences in the form of the recent recession. And some longer-lasting effects are still with us—substantial surplus capacity in a number of basic industries, high-cost and uneconomic production here and there in the economy, some lag in the construction of "social capital", and extreme sensitivity and fear of inflation in financial markets. Even the current tightness of money is in a sense a delayed effect, for the money supply, which was increased very sharply in 1958 because of the recession and the big government deficit, has this year been held virtually unchanged to prevent rising demands for funds from generating inflation.

The Shape of the 'Sixties

Shall we do better in the 'sixties? Are we making progress towards the difficult goal of achieving a healthy rate of growth and relative stability in the price level at the same time? This is perhaps the major economic question facing us today.

A satisfactory rate of growth is desirable on two counts. It is necessary, first, for the high level of employment and the rising standard of living to which we all look forward. It is essential, also, if we are to meet the tremendous scientific and economic challenge with which the Soviet world is facing us. Russian achievements in space technology are only one aspect of this—the growth rates being predicted for the Soviet economy over the next few years are staggering. We in the western world certainly cannot afford to let our economies lag. But we should not forget that growth in which there is a significant element of inflation is apt to be unsound and erratic. It is our business to work out policies which will promote as rapid a growth as is consistent with a reasonable degree of price stability. This will require not only wise and courageous leadership on the part of the government and the monetary authorities but self-restraint and a responsible attitude regarding prices and wages on the part of business and labour.

Sensible external policies are of course equally important. We should never lose sight of the fact that we have a vital stake in doing our share to promote growth on the broadest possible international front. What happens to us in the 'sixties will depend not only on the formulation and execution of sensible policies on our part but on the sort of world we have to live and trade in.

Today's world is different in many ways, of course, from the world that ushered in the 'fifties. In 1950 the reconstruction of war-shattered economies was still far from complete and the outbreak of the Korean war, precipitating a scramble for materials, prolonged and accentuated the postwar shortages. Today, the economies of Western Europe and Japan are fully recovered and humming with activity. In addition, while Canada has been busy increasing her productive capacity, other raw-material-producing countries have not been standing still. Capacity to produce newsprint and pulp, oil, aluminum, uranium, nickel, copper, lead and zinc has increased abroad as well as in Canada. At the same time government programs for strategic materials have been changing, posing added problems for Canadian producers—witness the present difficulties of the uranium industry. From the long-range point of view, the improvement in overseas economies is highly encouraging, for it suggests the sort of expanding volume of world production and trade that is most hopeful for Canada. In the short run, however, it does mean much keener competition, both in the domestic market and in export markets, than Canada had to face through most of the 'fifties.

It is possible, too, that in the next few years growth may be more dynamic in other parts of the world than in the Western Hemisphere, including the United States. The young economies of Africa, for instance, may experience much more rapid development in the coming decade. And the Western European countries are experiencing the stimulating effects not only of the drive towards integration but also of the sort of sharp increase in the use of consumer durable goods and credit financing that has been so large an element in past economic expansion in North America.

Apart from what may be going on in the world outside, there is some reason to believe that Canadian population growth may in the immediate future be somewhat less rapid than through most of the 'fifties. The marriage rate, which had been running from 8 to nearly 11 per 1,000 of the population throughout the 'forties and 'fifties, last year fell back to 7.7 per 1,000 and this year appears to be somewhat lower again. In all likelihood this presages a drop in the birth rate and a rather less rapid rate of natural increase in the population, at least for a few years. And whether the volume of immigration can be expected to remain at the high average rate of the 'fifties is a question, particularly if economic opportunities in Europe are attractive.

By the middle of the 'sixties, however, a new upsurge in population growth seems almost inevitable. For the young people born in the postwar "baby boom" will then begin to marry and found families. The timing and extent of the upsurge will depend partly, of course, on economic conditions, for both the marriage rate and the birth rate tend to be sensitive to the trend of business activity. But, given reasonably good economic conditions, a rate of family formation far ahead of that which prevailed in the 'fifties can be expected.

In the late 'sixties, even with fairly conservative estimates of immigration, Canada will probably have around 5 million people between 15 and 30 years of age, as compared with some 3½ million at the time of the 1956 census. These young people will be marrying, setting up housekeeping and raising families. This will mean strong pressure on the housing market and a booming market for durable goods as the new houses are equipped with the numerous appliances that are today taken as a matter of course. Moreover, with technological progress going ahead rapidly and the standard of consumption rising, many new products will undoubtedly gain in popularity. Items such as home freezers, automatic clothes driers and colour television sets may become as common as some of the older appliances now are. And there is no predicting what new electronic wonders may become available.

The World Outside

This rosy picture can come true, of course, only if world economic conditions provide the sort of expansive atmosphere favourable to Canada as a major trading country. Fortunately, several circumstances point in this direction. Technological change is spurring the rate of economic growth abroad as well as in Canada. The economic strengthening of Western Europe and Japan—in terms of both production and exchange reserves—augurs well for the future. Real progress has been made in international arrangements to tide countries over temporary balance-of-payments crises and to assist sound expansion in areas striving to improve their economic lot.

If the European Common Market develops, as we all hope it will, in an outward-looking and not in a restrictive way—if the danger of the world splitting up into trading blocs is avoided—Canada and the other trading nations of the world stand to benefit and not to lose from this important new step. And if the countries of western Europe make use of their improved economic and exchange position to take a larger share in international development programs, along with the United States, the possibilities of continued favourable growth in the world economy are impressive.

The battle against restrictive trading practices throughout the world is, however, a continuing one; and the growth in the economic power of the Communist countries raises a new threat to the natural expansion of trade among the free nations and to our friendly economic relations with many less-developed countries.

The challenge is enormous, not only for the 'sixties but for the decades beyond. To meet it successfully will require persistent efforts, imagination, and above all a continued co-operative spirit on the part of all the countries concerned. It can truly be said that the future is our assignment.

Encouraging Rise in Savings Deposits

On the liability side of the balance sheet, deposits increased by $126 millions in the fiscal year. The largest increase was in foreign currency deposits, a good deal of it having to do with the development of our international banking operations as well as with the growth in business of our external branches. The other significant advance was the rise in personal savings deposits which at $739 millions were up $39 millions, or over 5% during the year.

No Early Easing Seen in Monetary Conditions

As to the future, I can see no early prospect of any basic change in the financial climate. Economic forecasts for 1960 in both the United States and Canada are almost uniformly favourable. There is quite a degree of agreement that the coming year will see substantial inventory accumulation, high consumer spending and, what is perhaps even more significant, an upturn in business investment and exports.

The indications, therefore, are that the demand for credit will remain strong and may even increase further. There may be some easing in demands of a purely seasonal character until possibly next Spring. But looking farther into next year, it seems probable that there will not be enough money to meet all the demands for credit, and that an atmosphere of some stringency will continue.

While it is a very difficult matter to determine just how much money and credit should be available at any given time, it is perfectly clear that it would be most unwise to attempt to meet all the enlarged demands by adding more and more to the supply of money and credit. It is certainly true that additional money is needed from time to time to facilitate economic growth, but such additions should not get much out of line with the potential growth of production if a rising level of prices is to be avoided. One of Canada's basic problems today is that savings are falling farther behind capital requirements and Canada is importing more capital to meet the deficiency. The creation of a lot of new money will not solve the problem and might indeed aggravate it by reducing incentives to save. More saving or less emphasis on capital expansion or some of each is what is needed, and higher interest rates and a policy of keeping the money supply in hand work toward these ends.

We have lived so long in a climate where low interest rates and monetary ease have been the accepted norms that it is hard to get used to the idea that a condition of at least moderate stringency may now be the order of the day. For three decades, interest rates have been low or fairly low and when money was tight it was always taken for granted that it would become easy again in the not distant future. These attitudes and assumptions still colour our thinking.

Perhaps this is the logic of a world situation where the emphasis is on economic growth and high employment, where there is keen competition between two fundamentally opposed systems of government, where nationalism is rising, population rapidly expanding, and where there is a concomitant and rather widespread concern about inflation. In any case recovery has been gathering momentum and inflationary tendencies have begun to re-appear in many countries of the western world. In an environment of this kind restraining monetary policies become essential to balanced and healthy economic growth. It is no accident that such policies are being followed pretty generally not only in the United States and Canada but also in many countries of Western Europe.

Sound Money Essential to Healthy Growth

It may be that we are too inclined to think of the negative aspects of monetary restraint—to see the specific disadvantages of not having enough money to meet all reasonable demands. Certainly, this is the way monetary restraint looks to a banker in his day-to-day work. Perhaps too when assessing its advantages we are apt to think of it solely as a means of combating inflation. It might be better if we thought of monetary restraint in a more positive way as a means of promoting employment and balanced economic growth. For there can be no doubt that a sound currency is an absolute essential if we are to achieve reasonable economic stability combined with substantial growth. If there is one lesson about managing our economic affairs that recent experience brings out, it is that the best and perhaps only effective way of combating recessions is to prevent the excesses of the booms that precede them. And the first requirement of preventing such excesses is not to permit inflationary increases in money and credit.

So as a Bank we, like other banks, may not be able to satisfy all the requests for credit made to us, perhaps not even all the fairly reasonable requests. In such circumstances, we shall, as we have in the past year, do our best to look after the basic operating requirements of regular customers large and small. We shall continue with our Scotia Plan. But we shall have to discourage loans for speculative purposes whether to do with securities or real estate or commodities. We shall probably not have much money available for larger term loans and indeed we shall have to look at smaller term loans carefully. The approach will be flexible. We shall consider proposals on their merits and in relation to the resources available to us. But so long as demands exceed the supply, it will not be possible to meet all credit-worthy applications, and increases in existing credits will be less easy to arrange than in the past.

You may be sure, however, that as a Bank we shall do everything we can to increase the resources available to lend by pursuing a continued active programme of deposit development. Through staff training, through conferences, through the setting of appropriate objectives, through the introduction of new deposit services, we have in the last few years carried on a vigorous campaign to build up deposits. While the dollar figures of our Canadian deposits did not show much improvement in the climate of monetary restraint which prevailed during the past year, from one point of view the record was exceptionally good. In the year just closed, the increase in the *number* of accounts in Canada, both savings and current, was the greatest in our history. In short, a broader basis was laid for future growth.

Bank Broadens Services

Indeed, we have been endeavouring as a Bank to provide a more complete financial service for citizens in all walks of life. On the deposit side, we introduced a few years ago the Personal Security Program with its insured savings target; and on the lending side we have recently developed Scotia Plan Credit. We are always on the lookout for innovations which will be of real value to our customers, and our branch development policy is designed to bring this more varied financial service to customers and potential customers near their homes and places of business. In other words, like the shopping centre, and to a substantial degree with the shopping centre, we have been following our customers out to the suburbs.

During the year, 24 new branches were opened, the majority of them in and about the larger centres. They were as widely separated as Port Hardy, B.C., at the north end of Vancouver Island and San Fernando, Trinidad, getting down toward the equator. We now have 556 full-time branches and 23 sub-branches—579 in all. Of this total 534 are in Canada and 45 abroad.

Interest and Enthusiasm Shown by Staff

In this process of expanding and improving the Bank's facilities, of broadening and selling its services, the crucial element has, of course, been the staff—the managers and supervising officials who have given the leadership, direction and training; the accountants who have organized the offices and set an example in efficiency and good customer relations; and the tellers and other front-line workers who have not only done their jobs but in so many cases done them with interest and enthusiasm and added a little something more to the good name and tradition of The Bank of Nova Scotia.

There is a good deal of evidence to suggest that the advantages of a banking career are now more widely recognized, and we in The Bank of Nova Scotia have much to offer in interest, variety and opportunity.

Over the past year it was my privilege to meet many of our staff at regional conferences and during visits to branches, and I have been impressed with the calibre and loyalty of the people who are in fact the Bank. To them, as well as to our equally loyal and efficient administrative group, it is indeed a pleasure to say "thank you" publicly for the outstanding contribution which they continue to make to the progress of the Bank.

"Year Of Continued Progress And Widening Activity"

General Manager Tells Shareholders

Favourable Business Outlook Presages Continued Strong Demand for Credit — J. Douglas Gibson

The past year was one of continued progress and widening activity for the Bank, though as the year progressed the expansion of our operations was limited by monetary conditions. Nevertheless, the growth of the Bank's assets was very substantial, amounting to $143 millions or 8%, and bringing the total to $1,847 millions. Our total assets have doubled in the past seven years and our rate of progress again last year was materially greater than the average for all the banks.

J. DOUGLAS GIBSON
General Manager
The Bank of Nova Scotia

The outstanding change of the past twelve months was, of course, the marked increase in loans. Leaving aside call loans, which decreased to some extent, our loans rose by $231 millions to $988 millions at the year-end. This experience is in sharp contrast to the developments of 1958 when loans increased only moderately. The expansion which began in the summer of 1958 became very rapid from April to August though more recently it has ceased, at least for the time being.

The notable upsurge in our loans was the result of several influences which combined to work in the same direction. The first which was common to all the banks was the broadening business recovery. Business recovery always increases the demand for credit and in the present instance demands on banking sources of credit appear to have been unusually pronounced. One reason for this is that bank loans are particularly sensitive to increases in inventories and in consumer spending—the two most important elements in the recent recovery. Another reason is that other sources of funds, and particularly the capital market, have become relatively more expensive than bank accommodation and at times less accessible. The whole structure of market interest rates has been lifted to a new and unfamiliar high level in less than a year and in the process of adjustment there have been times when even well-established borrowers have found the market unreceptive.

Growth of SCOTIA PLAN

Another important influence contributing to the big increase in our loans has, of course, been the development of Scotia Plan Credit. This plan of providing consumer credit in an organized and substantial way through the whole branch service of the Bank has lived up to our best expectations both in volume and quality. We find that this activity has been welcomed by tens of thousands of individuals, that it fills a useful need in the Canadian community, and that it complements and rounds out our banking services to the public. The fact that other banks have announced consumer credit plans of their own since ours went into operation is a further indication of the emerging importance of this sphere of bank credit. And certainly, the reactions of our customers old and new suggest that the work we have put into the development of the Scotia Plan gives us a real competitive advantage.

When we introduced the Scotia Plan just over a year ago, monetary conditions were relatively easy. At that time it appeared our new consumer credit activities would be a welcome supplement to a demand for bank credit which was not at all excessive. Though, as events have turned out, other demands for credit have risen sharply, we have continued with the Scotia Plan and we are convinced that it will remain and further develop as a major and permanent part of our operations. In making the most effective use of our capacity to provide credit, we believe that well-conceived consumer loans should receive high priority.

The other major factor in raising our loans has been the development of our external business. Foreign currency loans are up substantially, reflecting the needs of customers abroad and of our growing activities in international money markets.

In order to finance the increase in loans, we have found it necessary to sell a sizable amount of securities, mainly Government of Canada obligations. The reduction in security holdings has been $93 millions over the year, and at the year-end our portfolio was $374 millions.

THE BANK OF NOVA SCOTIA

A WORD TO CANADIAN BUSINESS MEN

Are you thinking of opening up a branch business in Europe? If so, please consult me. I can guide and advise you. I am a Canadian Professional Engineer of wide experience, registered in Ontario, resident in Switzerland in the heart of Europe, and am familiar with European industry.

D. HEPBURN, P.Eng.
26 Zwingerstrasse,
Basel, Switzerland

Get **TAX SAVINGS NOW** for **YOUR FUTURE SECURITY** by using GOVERNMENT REGISTERED

RETIREMENT SAVINGS PLAN — CANADIAN INVESTMENT FUND

BASED ON A LONG TERM ACHIEVEMENT RECORD

For 1959 income tax purposes, join now.

Ask any Investment Dealer or Broker for free information or mail this to

CALVIN BULLOCK
Ltd.
507 PLACE D'ARMES, MONTREAL

ANNOUNCEMENT

DOW BREWERY CORPORATE OFFICERS NAMED

J. R. LESPERANCE

G. B. CLARKE, C.A.

J. R. Lesperance has been appointed secretary and G. B. Clarke, C.A., treasurer of Dow Brewery Limited, it has been announced by the board of directors of the company. Mr. Lesperance joined Dow Brewery in 1927 and has held a number of sales and executive positions in the company. Mr. Clarke joined the company in 1956 as assistant secretary-treasurer and since 1958 has been assistant treasurer and controller.

YOUR TAXES

An exclusive FP column of comment on the trends in personal and business taxation.

Is There Merger Loophole? Now You See, Now You Don't

By JOHN C. McDONALD, LL.M.
McCarthy & McCarthy, Toronto

EVERY once in a while there is a flurry within the business community about a new "loophole" in the defensive line of the Income Tax Act.

The latest excitement centres on section 105C of the Act, (FP, June 6).

A theory is now abroad that section 105C has missed its target, and that surplus-laden corporations may be safely subjected to dividend-stripping operations through the device of the corporate vertical merger.

The assumed loophole is so obvious that section 105C will be amended next spring — effective Jan. 1 no doubt — hence the current scurry to get things done before old 1959 is ushered out.

The original problem was created in 1950 when the "designated surplus" provisions of the Income Tax Act were introduced to prevent "dividend-stripping" or "capital gain bail-outs".

Our income tax law is unsophisticated in comparison with the U. S. Internal Revenue Code, which contains a mass of rules designed to ensure that shareholders pay taxes on corporate distributions of any kind.

But we at least know what our law intends, and the current loophole may therefore be a mirage.

The old-fashioned bail-out merely involved the sale by A of his X Co. shares (X Co. holding a large earned surplus) to newly-formed Y Co. (controlled by A). Mr. A enjoyed a capital gain on the sale, and Y Co. found money to pay A by causing X Co. to pay up a tax-free intercorporate dividend.

Simple? Well, Parliament blocked this line plunge with the 1950 rule that if Y Co. acquired control of X Co. after May 10, 1950, the surplus of X Co. would be "designated", and upon payment up to Y Co., taxed at full rates.

New Refinements Were Developed

Then, in 1958, came section 851 of the Income Tax Act, which permits two or more companies to "amalgamate" as one company.

In the process of this operation, designated surplus disappears.

It followed that if our Mr. A, the shareholder of X Co., formed Y Co. and Z Co., and

(a) sold his X shares to Y Co., for a demand note,

(b) then sold his Y shares to Z Co.,

(c) then amalgamated X and Y into XY Co., and

(d) finally wound-up or liquidated XY Co. into Z Co.,

Z Co. would inherit the liability of Y Co. (through XY Co.) to pay off the note to Mr. A — who thus received a tax-free capital gain, because Z Co. came into possession of X Co.'s surplus without paying tax.

This was made possible by the merger provisions of section 851.

The Loophole Came Last Spring

Section 105C was then introduced last spring to provide that XY Co. must pay a 20% tax on the amount by which

(a) the surplus of X and Y together exceed

(b) the value of the assets of XY Co. **minus its liabilities.**

Because the amount payable to Mr. A is a **liability** of XY, 20% of that amount is, in the result, taxed to A because 20% of the X Co. surplus disappears in tax payable to XY Co.

But wait! Suppose that Mr. A transfers his X Co. shares to Y Co. in exchange for Y Co. preference shares. **These are not "liabilities" of Y Co. under company law.**

Because of this, a preference share exchange sidesteps section 105C, and Mr. A is off to the races again. Or so he thinks.

Tax Collector Has Other Blocks

At this point, the Revenue discovers that it is accidentally protected by other provisions of provincial company law, and by section 81 of the Income Tax Act — which was enacted years ago to deal with prewar tax avoidance devices.

Section 81 (2) provides that:

"Where a corporation, at a time when it had undistributed income on hand, has

"(b) **converted** any of its common shares into (preference shares), a dividend shall be deemed to have been received at that time (by the shareholder) equal to the lesser of (the value of the preference shares received or the undistributed income on hand)."

Under the federal Companies Act, amalgamations do not comply with the amalgamation definition of the Income Tax Act. You can't merge two federal companies, you have to buy assets and issue shares or cash in exchange (e.g. MacMillan & Bloedel-Powell River "merger").

There is a draft Companies Act under consideration in Ottawa, in which a merger provision similar to provincial rules is included. No one knows, however, when the draft may appear as legislation.

The result is that the problem turns on provincial law.

This provides that the companies proposing to amalgamate may enter into a joint agreement for such amalgamation, "prescribing the terms and conditions thereof, . . . **and the manner of converting the share capital of each of the companies into that of the new company**". These are essentially the words of the Ontario, Quebec and Manitoba statutes.

It follows that the XY merger we have described involves a **conversion** of X common into XY preference shares, and because X Co. continues as part of XY Co., X Co. has **converted** its common shares into preference shares within the meaning of the Income Tax Act.

The result is that Mr. A is taxed at full rates on a deemed dividend equal to the X Co. surplus (minus the usual 20% dividend tax credit).

If this technical cat and mouse game proves anything, it at least establishes the need for a clear statement of official policy concerning corporate reorganizations, and an end to makeshift rules that usually impede legitimate business in their haste to stop the other kind.

Wood Pulp Output Jumps, Consumption, Exports Up

MONTREAL (Staff) — Canadian wood pulp output again leaped higher in October.

Production jumped from 911,735 tons in October, 1958, to a record 987,113 this year. Pulp consumption in Canada and exports also were higher.

Output for the first 10 months hit more than 8.8 million tons, compared with 8.4 million in corresponding 1958.

Another important product of Canada's $1,500 million pulp and paper industry is also on the plus side:

Paperboard output and use both were up modestly in October, and more substantially in the first 10 months.

Health of the board industry is reflected in company results.

Major board producer and converter **Bathurst Power and Paper Co.** reported solid improvement in the first nine months, compared with a year ago.

Net profit (subject to audit and year end adjustment) this year was $1,261,787 ($3.15 per class A share) or 26.7% higher than $995,503 ($2.49) in corresponding 1958.

Estimated net earnings before depreciation, depletion and income tax were $4,040,310 this year and $3,193,939 last.

Indicated third quarter net profit was $460,000 this year and a little more than $400,000 last.

Here are comparative details of the national pulp and paperboard picture:

	October			First 10 months		
	1959	1958	% Change	1959	1958	% Change
	tons			tons		
Pulp						
Output	987,113	911,735	+8.3	8,822,609	8,347,930	+5.7
Use in Canada	757,248	701,045	+8.0	6,777,907	6,476,463	+4.7
Exports	230,032	219,656	+4.7	2,034,495	1,834,248	+10.9
PAPERBOARD						
Output	97,763	94,635	+3.3	785,858	747,090	+5.2
Use in Canada	84,505	84,907	—0.5	710,629	673,890	+5.5
Exports	9,191	7,596	+21.0	58,189	64,510	—9.8

ANNOUNCEMENT

TRADERS FINANCE CORPORATION LIMITED

O. B. BARBER

W. GILLILAND

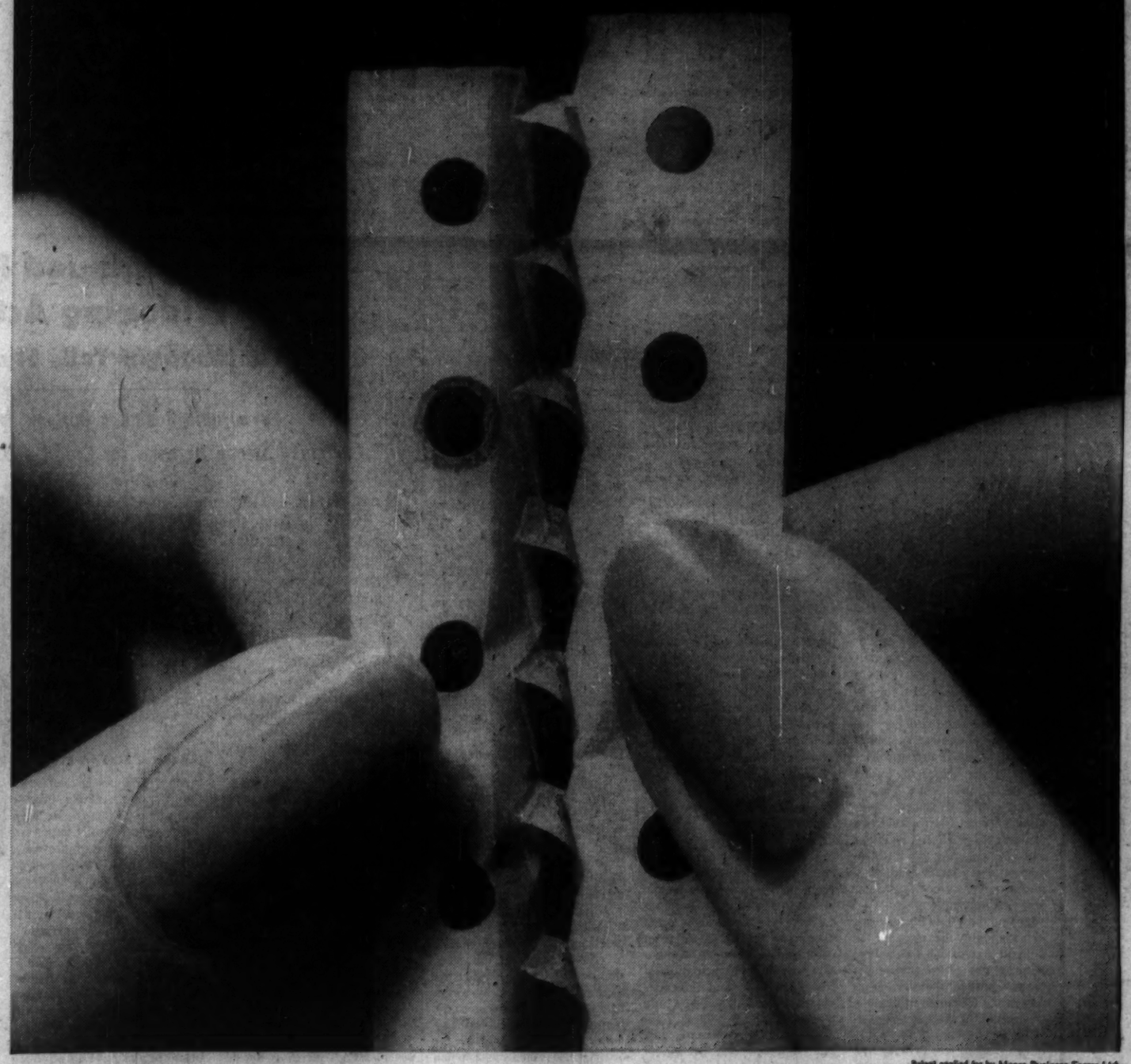
Mr. W. J. Carey, Vice President — Sales, Traders Finance Corporation Limited, announces two new sales appointments in the Company's expanding Equipment Division.

O. B. Barber has been appointed Sales Manager — Toronto Equipment Division and W. Gilliland has been appointed Sales Manager — Alberta and Saskatchewan Equipment Division.

Mr. Barber joined Traders in 1959 in Toronto and brings to his new position many years of experience in sales and service in both the equipment and farm implement fields. His territory will be the Central Ontario area with Headquarters in the Traders Building, 625 Church Street, Toronto.

Mr. Gilliland has been with Traders since 1940 and has served the Company in numerous capacities, most recently as Assistant Regional Manager for Southern Saskatchewan. He will make his Headquarters at the Company's Equipment Division Office in Edmonton. Both Mr. Barber and Mr. Gilliland will co-ordinate the Company's services in the equipment field for the industry's Manufacturers, Contractors and Distributors.

Heard about the revolution?



Patent applied for by Moore Business Forms Ltd.

Moore Speediflex

A new idea in business forms with the new dimension of flexibility for results never before possible in forms-writing operations.

When business forms are fed at high speeds over writing machines, troubles often develop. High-speed feeding causes unequal stresses and forms often tear or wrinkle. Part-to-part register is affected unless forms are fastened with staples or other devices.

A revolutionary form—made especially for today's high-speed writing equipment—was needed to eliminate these problems. The illustration shows the new dimension built into Moore Speediflex—for perfect high-speed writing results. Parts in a Moore Speediflex are bonded together by flex-cut carbons that permit the form to travel freely, naturally, around the writing platen in perfect register.

This means printing in perfect register, no matter how many parts and carbons to the set, no matter how fast the writing speed. It also means many other operation advantages and Moore men throughout North America are explaining them to systems men now. He'll be glad to see you. For more information on Speediflex, write the nearest Moore office.

Moore Business Forms Ltd. • 856 St. James St. West, Montreal • 7 Goddard Ave., Toronto 15 • 711 Erin St., Winnipeg • 296—12th Ave. East, Vancouver • *Over 300 offices and factories throughout Canada, U.S., Mexico, Cuba, Caribbean and Central America.*
a Division of Moore Corporation, Limited

Build control with
MOORE BUSINESS FORMS

Unlisted Mines and Oils

By Brokers Dealers Assoc. of Ont.

Approximate quotations, 3.30 p.m., Nov. 30, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abitcan	9½	11	Mallen	4	5
Abeta	3½	4½	Manecho	3½	4½
Abino	12	15	Mar Bd	5	7
Acadic	25	30	Maree	1	2
Do vt	*23	27	Mat Can	8	10
Advance	4½	5½	Matt L	*43	475
Alexand	5½	6½	Matte Ye	5	7
Ana Kr	*1½	2½	McCuaig	3	4
Anahar	1	3	McFinly	4½	5½
Auwon	†1	3	Miles RL	2	3
Arctic	1	2	Mill Kirk	3	8
Barjma	12	14	Mind	100	125
Beacon	3	5	Mirado	7	9
Belfast	4	6	Mt Keno	1	2
B Jck Pt	½	1½	Montco	1	3
B Grass	1	2	Murk F	30	40
B MtD	6	7	Murmac	2	3
Bour C	1½	2½	Murray	†28	30
Brace	*16	17	Naco	2	3
Branch	6	12	Nat Nw	†9	10
Bright	2	3	Nw Aug	†4	5
Brilund	2	3	Nu Met	6	7½
Bruce H	6	8	N Isco	5	6
Bruneite	2	3	N Redwd	†2	4
Camdeck	2	4	N Wa	2	3
Cam'eon	†2	3	Nickel L	1½	3
C Ed C	5	7	Nickl O	4	5
Cq Pet	110	120	Nicolet	30	40
C All M	2	4	Nipir	10	12
Caral	6	10	Norbeau	*82	92
Castlebr	*19	23	Normar	1½	3
Cn Man	4½	8½	Ocean	50	70
Cnt Hill	3	4	Okland	3½	4½
Chellew	4	6	Orofino	12	14
Clinger	*4½	6	Pacemk	3	4
Clix	2	3	Panth	45	55
Colombr	1	2	Parmiee	—	25
Comstock	3	5	Pascalis	14	16
Con Cp	11	12	Pax nw	5	15
Con Frd	10	20	Pelangio	1½	2½
Con Hrp	6½	8½	Penelpe	100	125
Crack S	*2	3	Pickering	4½	5½
Cordell	1	3	Picton	2	4
C Vaux	*83	88	Pin P	†1075	1125
Craibe	†49	51	Pitchyn	7	9
Croydon	2	4	Prudent	*10	13
Derlac	4	5	Quej	4	6
Despina	1½	2½	Quest	—	1½
Destrad	1	1	Raglan	—	11
Dom E	25	28	Red Brk	—	3
Dumont	†68	72	Redcon	5	7
D'Vgn	3½	4½	Redruth	1½	3
Durham	4½	5½	Rhylit	1	3
East Lus	1½	3½	Richgrp	4½	5½
Echo Ind	1	2	Rio Tn	95	105
E Bou	2*	3	Rob RL	17	18
Ego	†6	8	Romar	3	4
Farquh	1	2½	Rugged	2	3
Flicks	½	1½	Russet	3½	5
Forty Fr	44	50	Salmita	6	8
Gateway	†2	5	Skeldon	9	10
Gan Cop	3	4	Shield	25	30
Glenbrk	5	7	Sladen Q	68	73
Glescona	1	1½	Slate By	2	4
Glen Rc	2½	3½	Snowfx	30	40
G Hark	9	11	Snowlake	3	4
Gord Lb	1	2	S My ex	8	10
Gold Mq	2½	3½	Starlight	1½	2½
Goldyke	2	3	Sun Bear	†2	2½
Gov Gold	2	3	Thorner	3½	3½
Halmac	*1½	1½	Tower	†1	3
Hornfls	5½	6½	Treador	*6	7
Hot Min	3½	4½	U Ridge	6	7
Hubert	6	8	Un Pr	†230	235
Hud Un	3	4	Ungava	2	3
Hucamp	10	14	Viking	10	13
Indepen	7	9	Wadge	*12	15
Ind Mt	15	19	Watson	8½	10
Jamaica	9	13	Wesley	5	6
Jean L	5	7	West RL	3½	4½
Jerome	1	3	West'd	10	20
Kamiac	11	12	W Wasa	5	6
KB Mng	3	7	Y Davd	13	14
Kendn P	1½	2	**OILS**		
Kenog	3	7	BC Oil	1550	1650
Langis	80	85	Do wt	1050	1200
Laronge	3	4	C Delhi	5½	6½
Lrndona	3½	4	C Sup	1200	1250
Larum	7	8	GS Grs	123	25
L Expn	10	12	Harvest	†73	76
L Remy	1½	3	N Srp	90	100
Lassie	12	13	P Dover	†12	17
Lue Ec	†24	26	O Smoky	1	2
Magoma	2	3½	Paige P	9	12
Main O	†40	50			

Mutual Funds

	Div. pd. cents	Bid	Ask.
	A		
All-Can. Com. Fd.	21.3a6(29.37)	7.42	8.07
All-Can. Div. Fd.	24+1(24)	5.98	6.50
American Growth New	13(14)	7.59	8.27
Assoc. Investors	24½(33)	8.04	8.12
Can. Invest. Fund	26(36)	8.84	9.70
Canafund	125(125)	25.68	27.46
Champion Mut. Fund	18+(20)	5.34	5.86
C'wealth Inter.	29(30)	8.14	8.95
Corporate Inv.	32½(34)	8.75	9.56
Diversified Inc. B	10.9(11.6)	3.90	4.30
Dom. Equity	40+12(40+12)	14.85	15.15
Dom. Comp. Fund	†30	9.41	9.79
Do. nonres.	†30	9.35	9.72
Dominion Funds	†39	8.24	8.51
First Oil & Gas		5.05	5.33
Group Accum.		5.45	5.96
Grouped Inc. (n.)	18.7(20)	3.79	4.14
Growth Oil & Gas		6.58	6.91
Invest. Growth	10.5(6.5)	6.01	6.50
Investors Mutual	23(32)	10.96	11.85
Leverage Fund	10(11)	6.55	7.20
Mut. Acc. F.	18(22.42)	7.32	7.62
Mutual Bond		5.75	6.02
Mutual Income	20.16(22.73)	4.91	5.37
North American	†14	8.45	9.18
Regent Fund Ltd.	6(20)	5.40	5.93
Sav. & In. Mut.	18+1.8(17.5)	5.11	5.59
Sup'vised Amer.	9(12)	7.18	7.25
Sup'vised Executive (1956)		27.18	...
Sup'vised Executive (1956)		30.44	...
Sup'vised Executive (1957)		5.22	...
Sup'vised Executive (1958)		5.57	5.82
Sup'vised Gr'th Fund	3.5(3)	1.68	1.76
Sup'vised Inc. Fund	12(17)	3.88	3.93
T.V. Electr'cs	32½+$62½(76)	15.02	16.44
Timed-Invest.	12(22)	5.50	5.94
Trans-Can. A	$3.6(97)	29.10	...
Do. B	91(95.8)	29.30	...
Do. C	18(20)	5.85	6.40
United Accum. Fund	24(23)	14.42	15.69

aPaid or payable in 1959, total paid in 1958 in parentheses.
*Of which 42¾ cap. gains dist. in 1958.
†Including initial.

Commodities

	Latest week	Previous week	Same week last yr
Cattle	$25.50	$25.50	$25.00
Hogs	22.65	22.65	24.50
Copper, lb.	.33	.33	.29
Coffee, lb.	.36¼	.38½	.43¾
Sugar, raw, lb.	.0588	.0580	.0580
Hides	.18½	.18½	.19
Weekly Commodity Indices			
Dow Jones Fut.a	151.30	151.06	134.86
U. S. Labor	†	118.9	119.1
Monthly Price Indices			
	Latest month	Previous month	Same month last yr.
Retail C.P.I.* Canada (D.B.S.) (Oct.)	128.0	127.1	126.0
W'sale (Sept.)	230.9	230.8	227.4
C. F'm Pr.* (Sept.)	210.0	221.9	211.1
U. S. W'sale (July)	119.5	e119.7	119.2
Gr. Br. W'sales (July)	111.3	111.9	111.1

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto. Copper-electrotypes, New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.
*Base years 1947-49=100.
aBase years 1926-36=100.
dBase year 1954=100.
eRevised.
†Not available.

Unlisted Industrials

(Compiled by McDonnell, Adams & Co., Limited, Toronto)
November 30, 1959.

	Bid	Asked
Anglo Can. Tel. A	33.50	34.50
Brinton Pete Carpet	28.50	....
British America Assce.	100.00	105.00
British Mortgage & Trust	246.00	....
British Newfoundland	2.75	4.25
Cdn. Admiral Corp.	14.00	15.50
Cdn. Canners B	10.75	....
Cdn. Corp. Management	1.50	....
Cdn. & Foreign Securities	10.00	....
Cdn. Gen. Insurance	....	125.00
Cawthra Apts	54.00	....
Cent. Canada Inv'ts.	15.00	....
Commercial Life 20% paid	32.50	....
Commercial Finance	34.50	....
Concourse Bldg. V.T.	156.00	200.00
Copp Clark 6% pfd.	87.00	91.00
Crown Life Insurance	162.00	185.00
Debenture & Securities Pfd.	80.00	....
Dom. of Can. Gen. Insur.	80.00	85.00
Dom. Linseed Oil units	3.00	4.00
Dominion Life Assce.	185.00	200.00
Eastern Trust	18.00	20.00
Essex Packers Pfd.	22.00	....
Do. common	2.25	2.00
Excelsior Life	165.00	....
Goderich Elevator	....	22.00
Granite Club	14.00	14.75
Gt. Brit. & Can. Inv. pfd.	93.00	....
Do. com.	20.00	22.00
Great West Life	334.00	338.00
Guar. Co. N. A. fully pd.	290.00	305.00
Do. 20% pd.	85.00	....
Halifax Insurance	22.00	23.00
Halton & Peel Trust	12.75	13.50
Hart Battery (1957) units	3.00	4.00
Rees George $6.00 pfd.	....	34.00
Humberstone Shoe	8.50	....
Industrial Life	85.00	....
Industrial Motge. & Trust	106.00	112.00
Ingersoll Machine 4% pfd.	80.00	....
Ingersoll Machine & Tl. B	4.75	5.25
Jenkins Bros.	60.00	65.00
London Can. Inv. $3.00 pfd.	52.00	57.00
London Can. Inv. A	43.00	47.00
London Life Insce.	185.00	190.00
Lord Simcoe Hotel A	1.00	1.25
McCarthy Milling A	2.50	....
*Manufacturers Life	348.00	....
†Do	342.00	....
Maritime Life	130.00	....
Meadowvale Development	2.50	2.75
Monarch Life	63.00	68.00
Mindustrial Corpn.	1.00	1.15
Mutual Finance Corp. pfd.	.75	....
National Life 100% paid	$10.00	$50.00
Park Lawn Cemetery	2.25	2.65
Pembroke Electric Light	85.00	....
Phillips Electrical	7.00	7.00
Prairie Royalty Trusts	1.75	....
Prudential Trust	21.00	....
S.K.D. Mfg. 6% pfd.	9.25	9.75
Scott Misener Steamships	13.00	14.00
Sovereign Life 25% paid	217.00	225.00
Standard Fuel pfd.	35.00	37.00
Steelman Gas	3.00	3.50
Teleflex Limited	17.75	19.25
Tor. & London Investment	2.25	2.70
Tor. Medical Arts Bldg.	60.00	64.00
Trans-Canada Freezers	5.50	6.25
Do warrants	1.00	....
Triarch Corp.	112.00	115.00
United Corp's New pfd.	22.00	25.00
Universal Cooler 6% pfd.	53.00	....
Do. B pfd.	2.25	....
Velok Units	44.00	46.00
Waterloo Mfg.	8.50	....
Waterloo Trust	44.25	47.50
Westcoast Transmission	16.00	16.50
Western Assce.	80.00	83.00
Western Life 25% pd.	98.00	108.00

*Original pledged stock.
†Later pledged.

By Kippen & Co. Inc., Montreal

Consolidated Theatres A	7.00	8.50
Do. B	5.00	....
Cuban Canadian Sugar	1.00	....
Dupuis Freres pfd.	16.00	19.00
Guar. Co. of N. Amer.	280.00	310.00
Gt. Britain & Canada	30.00	32.00
Hart Battery units	3.50	....
Hudson's Bay Co. (new)	27.50	28.00
London Canadian A	43.00	....
Maritime Tel. & Tel.	15.00	15.75
Mtl. City & Dist. Svgs. Bk.	57.00	60.00
New Brunswick Tel.	11.50	12.25
Ont. & Que. R. 5% cap. stk.	95.00	100.00
Prudential Trust Co.	18.00	....
Westcoast Transmission	15.75	16.25

Gold Bars Quoted

Rate Reported by Doherty, Roadhouse & Co., Toronto.

Canadian kilo bars of gold approximately 32 oz. each.
Dec. 1, 1959

	Bid	Asked
	per oz.	
Latest week	$33.15	$33.36
Previous week	$33.33	$33.50

Market Comment

What stocks and bonds are doing and what prominent observers say

In the first two days of this week the big New York market ploughed ahead for 12 index points (Dow-Jones industrials). In the same two days the Toronto industrial index suffered a net loss of 0.4 points. At the same time daily volume on the New York board was running about double that of Toronto despite the huge difference in price of average share traded.

Market students claim that never before have Canadian markets continued so independently sluggish in the face of New York's buoyant tone.

Certainly one of the big continuing reasons for this is the lack of outside interest in our stocks. Strong New York and foreign markets — London, Germany — are attracting most available equity funds today. The steady stream of new bond financing in this country at attractive terms is also diverting some of the Canadian funds that might normally have gone into equity markets.

It is difficult to see the New York market resuming its full bullish stride, however, until a permanent settlement has been reached in steel labor negotiations in U.S.

• • •

JOHN A. BOYD Jr.; Andras Hatch & McCarthy (Toronto)

It would be hard to imagine a duller stock market than that which we have experienced over the last few months. A low volume of trading has prevailed in the market and except for a very few situations it has had a complete lack of lustre. Tax selling emanating from the U.S. is now definitely a factor in producing these conditions and its effect is particularly noticeable on the oil stocks. With the relief of this pressure just before the year end a noticeable improvement should take place, resulting in a year-end rally.

It is unlikely that a full resumption of the bull market will take place until a final settlement is reached in the current steel dispute in the U.S. This settlement appears to be unlikely until the government-sponsored ballot is taken among the steel workers just before the expiry of the 80-day cooling off period toward the end of January. If a final settlement is reached in January, then a definite up-trend in stock prices is anticipated. If the steel workers go out on strike again, then the longer they are out the less likely it is that there will be an up-surge in the economy and stock prices.

• • •

W. R. TAPRELL; Carlile & McCarthy (Calgary)

I am afraid that, living in Calgary, the welfare of our petroleum industry is always uppermost in my mind. For a long time the political and economic factors have been unfavorable toward this industry.

In the last thirty days the sun has broken through the clouds on two occasions politically for the natural gas segment of the industry, for which section the immediate outlook appears better than for crude oil.

The first was the action of the Federal Power Commission, granting permission for the importation of 204 million cubic feet of gas a day into the U.S. at the Emerson gateway.

The second was the recent announcement by Ottawa that the National Energy Board would open its sittings January 5. The statement that it would hear the five applications for export simultaneously was very encouraging in that they realize it indicates the necessity for a quick decision to permit pipeline construction to start in 1960.

We don't expect decisions to be announced simultaneously, but it will at least prevent unnecessary repetition of similar evidence on gas reserves, and that much more quickly allow us to start exporting our natural gas. Other roadblocks still have to be removed, and may take some time but we are now getting into the realm of actuality rather than hope.

When you consider that our oil index is at a three year low, partially due to oils being a heavy and obvious target for tax selling, the patient investor should take a long look at these securities now.

• • •

F. S. LAMPLOUGH; Collier, Norris & Quinlan (Montreal)

The unusually quiet equity markets seen in Canada during the last several months can be attributed in part to the steady stream of new issues for government, provincial and top quality corporation borrowers on unusually attractive terms, and in part to market strength in New York and certain European markets.

Both these factors have unquestionably withdrawn funds which otherwise would have sought outlets in Canadian equities.

This period of consolidation, however, affords an opportunity to appraise the Canadian situation in some detail, and to rearrange investment portfolios accordingly. Basic improvements in several industries appear to have been ignored, notably in the basic steel producers who are virtually assured of record earnings this year, with indications that operations will continue at a high level well into the New Year.

During recent months statistics relating to newsprint made encouraging reading, and some measure of interest has been seen in equities of producers of this commodity.

On a more speculative level, producers and transporters of natural gas are also worth a close look, in view of the Ottawa hearings on the export problem, scheduled to commence early in January. The very large reserves already established, together with projected discovery trends and vast markets available in the United States, all point to export permits being granted.

We continue to recommend a high degree of selectivity in equity investments.

Now-a new concept in telephone service!

the CALL director *for the person who makes or takes a lot of calls*

The 30-button Call Director helps secretaries handle more calls, streamlines office operation

Here is the most advanced and flexible telephone ever offered to business!

For the Businessman: The Call Director telephone with the new Bell intercom provides fast, easy handling of outside and interoffice calls on one phone. No extra equipment on your desk. It provides up to 18 pushbuttons so you can:

- connect with other office telephones
- set up interoffice conference calls for as many as six persons at once
- add another person in your office to an outside call.
- you can also telephone frequently called persons in your office or plant by pushing the appropriate button . . . and reach others by dialing.

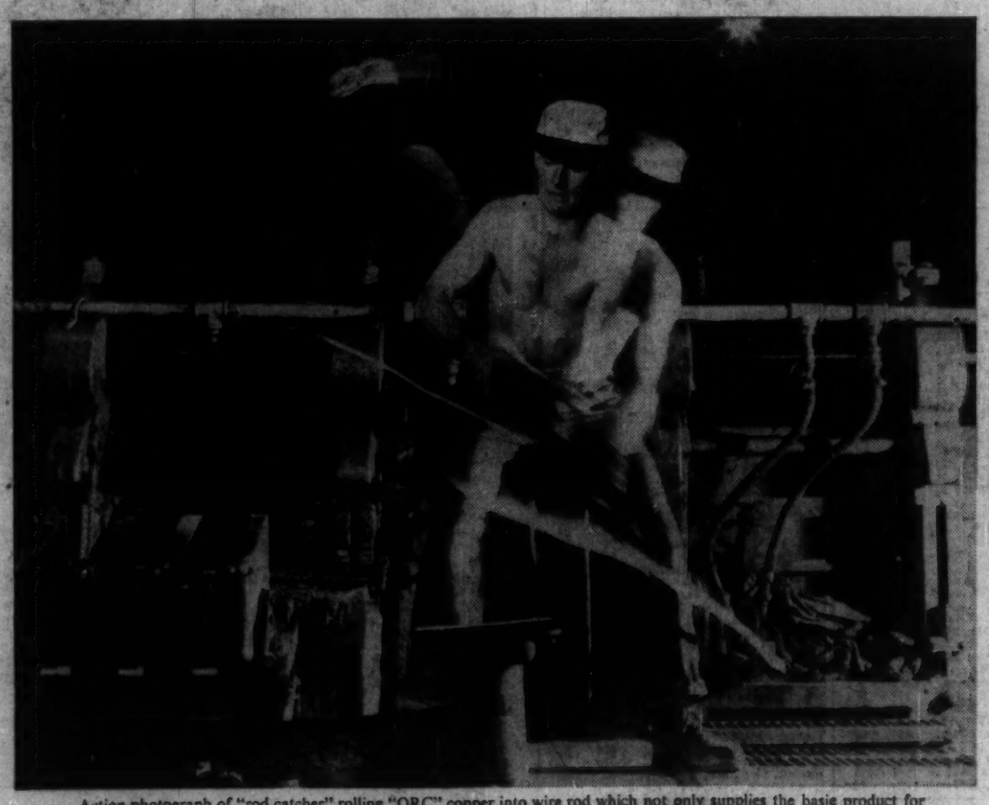
For secretaries or clerks who answer for a number of people. The Call Director has answering and call-holding facilities for up to 29 outside, extension or intercom lines.

Smart design. In green, gray or beige with contrasting face plates, it harmonizes with the decor of any office.

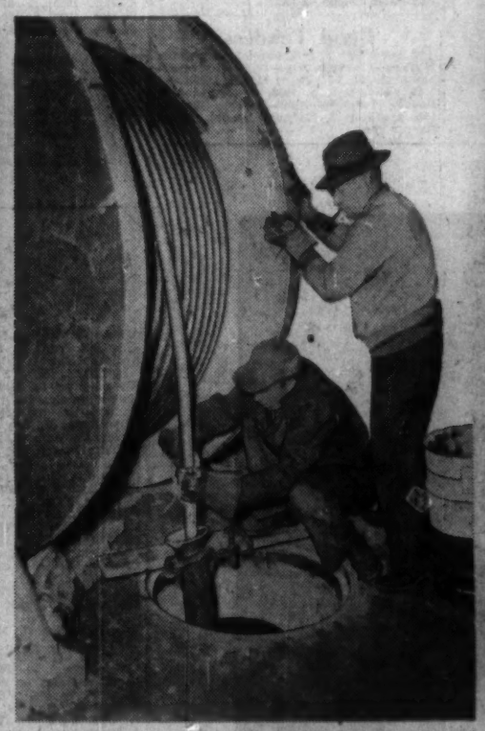
Find out how this versatile new telephone can help speed your communications — profitably.

Call your Bell Telephone business office for a representative to visit you at your convenience. No obligation, of course.

THE BELL TELEPHONE COMPANY OF CANADA



Action photograph of "rod catcher" rolling "ORC" copper into wire rod which not only supplies the basic product for 5,000 wire and cable products produced by Phillips but is also supplied to other wire producers and electrical manufacturers.



Underground cable produced by Phillips from Inco "ORC" Brand Copper carries electrical power beneath the streets of St. Catharines, Ontario.

Wiring one of the giant 222,000 Kva transformers for the R. L. Hearn Steam Generating Station on the Toronto lakefront. The cable is Phillips Armoured Teck Control Cable.

PHILLIPS ELECTRICAL uses INCO ORC* BRAND COPPER

for the production of high quality copper rod, wire and cable

The consistently high quality of copper wire and cable products manufactured by Phillips Electrical Company Limited of Brockville, Ontario, is a tribute to nearly 70 years of specialized experience, extensive research and laboratory facilities and careful quality control throughout all stages of production.

It is also an indication of the quality of the raw materials used by Phillips. For Phillips Electrical selects dependably pure Inco "ORC" Brand Copper . . . so important to the manufacture of enduring copper wire and cable products and for wire rod supplied to other Canadian wire manufacturers.

*Trademark

Using "ORC" Brand Copper, Phillips Electrical produced enough building wire for a city of 68,500 homes during 1958.

Huge telephone cable has 4,848 individually insulated wires—handles 2,400 calls at once. Produced by Phillips from "ORC" Brand Copper.

Phillips submarine cable made from Inco "ORC" Brand Copper being installed across a waterway in British Columbia.

THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED
65 YONGE STREET, TORONTO

ANNOUNCEMENT

NEW DIRECTOR SHERWIN-WILLIAMS BOARD

SIDNEY LING,

who was elected a Director of the Sherwin-Williams Co. of Canada, Limited at the Annual Meeting held in Montreal, Nov. 19th. Mr. Ling is Vice-President and General Manager of the Company.

...You can always depend on THE EMPLOYERS'

THE EMPLOYERS' ASSURANCE

FIRE, CASUALTY & AUTOMOBILE INSURANCE

Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Windsor, Sudbury, Winnipeg, Calgary, Edmonton, Vancouver.

Record of Financing

Dominion Governments, Offerings of Corporations and Securities.

DOMINION

Government of Canada Treasury Bills — Due Feb. 19, 1960 and May 20, 1960, $120,000,000. Issued Nov. 20, 1959. Sold at $98.790 to yield 4.91% and $97.481 to yield 5.18%.

Canada Savings Bonds 1959 series 14 — 4%, 4¼%, 4½% and 5% bonds, due Nov. 1, 1963, $450,000,000. Issued Nov. 12, 1959. Offered through dealers and banks at $100.00.

PROVINCIAL

Pacific Great Eastern Railway Company (Guar. by Province of B. C.) — 5% parity development bonds (additional), due Sept. 15, 1963, $5,616,000. Issued Sept. 30, 1959. Offered through dealers and banks at $100.00.

MUNICIPAL

City of Sorel, Quebec — 6% debentures, due Dec. 1, 1960-69, $432,000. Issued Nov. 4, 1959. Sold at $96.47 to Banque Provinciale du Canada, Dominion Securities Corpn. Ltd. and syndicate.

Township of Widdifield, Ont. — 6½% and 7% debentures, due Dec. 15, 1960-69-79, $276,000. Issued Nov. 2, 1959. Bought privately by Goss & Co. and Burns Bros. & Denton Ltd.

City of Farnham, Que. — 6% debentures, due Dec. 1, 1960-69, $200,000. Issued Nov. 9, 1959. Sold at $96.832 to L. G. Beaubien & Cie, Ltee.

Village of Bradford, Ontario — 6¼% debentures, due Dec. 15, 1960-79, $67,800. Issued Nov. 10, 1959. Bought privately by Dawson, Hannaford Ltd.

District High School of the Village of Bradford, Ont. — 6¼% debentures, due Dec. 15, 1960-79, $350,000. Issued Nov. 10, 1959. Bought privately by Dawson Hannaford Ltd.

Cathelic School Commission of Chicoutimi, Que. — 6% debentures, due Dec. 1, 1960-69, $275,000. Issued Nov. 19, 1959. Sold at $96.26 to Banque Canadienne Nationale, Casgrain & Cie, Ltee, Credit Quebec, Inc. and Florido Matteau & Fils.

Town of LeMoyne, Que. — 6% debentures, due Dec. 1, 1960-69, $144,500. Issued Nov. 16, 1959. Sold at $93.70 to Banque Canadienne Nationale, Belanger, Inc., Credit Anglo-Francais, Ltee, Gaston Laurent, Inc. and Florido Matteau & Fils.

Town of Waterloo, Que. — 6% debentures, due Dec. 1, 1960-69, $65,000. Issued Nov. 10, 1959. Sold at $97.42 to L. G. Beaubien & Cie, Ltee.

School Commission for Mun. of St. Joseph-de-Sorel and Tracy, Que. — 6% debentures, due Oct. 1, 1960-69, $156,000. Issued Nov. 12, 1959. Sold at $97.45 to L. G. Beaubien & Cie, Ltee.

City of Prince George, B.C. — 5¾% debentures, due July 15, 1963-79, $153,000. Issued Nov. 12, 1959. Sold at $91.48 to James Richardson & Sons.

Township of Guelph, Ont. — 6¾% debentures, due Dec. 31, 1960-69-74-79, $140,061. Issued Nov. 13, 1959. Sold at $99.62 to Bankers Bond Corpn.

Town of Listowel, Ontario — 6½% debentures, due Dec. 15, 1960-79, $140,000. Issued Nov. 16, 1959. Sold at $99.33 to McLeod, Young, Weir & Co. Ltd.

Roman Catholic Separate School Board of North Bay, Ont. — 6½% and 6¾% debentures, due Dec. 1, 1960-69-79, $460,000. Issued Nov. 16, 1959. Bought privately by Burns Bros. & Denton Ltd.

Township of Ancaster, Ont. — 6% debentures, due Nov. 15, 1960-79, $90,000. Issued Nov. 17, 1959. Sold at $93.50 to Bell, Gouinlock & Co. Ltd.

Fort Garry School Div. No. 5, Man. (Interest Guar. by Province of Manitoba) — 6¼% debentures, due Dec. 1, 1959-78, and Nov. 1, 1960-79, $1,315,000. Issued Nov. 19, 1959. Sold at $100.371 to A. E. Ames & Co. Ltd.

Galt Roman Catholic Separate School, Ont. — 6½% debentures, due Dec. 15, 1960-79, $115,000. Issued Nov. 19, 1959. Sold at $97.26 to Gairdner & Co. Ltd.

CORPORATE

Bell Telephone Company of Canada — 6¼% first mortgage bonds, series "R," to mature Jan. 2, 1978, $35,000,000. Dated Jan. 2, 1960. Offered at $100.00 and accrued interest by A. E. Ames & Co. Ltd., Wood, Gundy & Co. Ltd., Dominion Securities Corpn. Ltd., Greenshields & Co. Inc., Royal Securities Corpn. Ltd., McLeod, Young, Weir & Co. Ltd., Nesbitt, Thomson & Co. Ltd., L. G. Beaubien & Co. Ltd., Mills, Spence & Co. Ltd., Bell, Gouinlock & Co. Ltd., Cochran, Murray & Co., Ltd., Midland Securities Corpn. Ltd., Burns Bros. & Denton Ltd., W. C. Pitfield & Co. Ltd., James Richardson & Sons, Harris & Partners Ltd., Rese-T. Leclerc, Inc., Collier, Norris & Quinlan Ltd., Dawson, Hannaford Ltd., Equitable Securities Canada Ltd., Mead & Co. Ltd., MacTier & Co. Ltd., Matthews & Co. Ltd., Fraser, Dingman & Co., R. A. Daly & Co. Ltd., J. C. Boulet, Ltee, Geoffrion, Robert & Gelinas, Inc., F. W. Kerr & Co., Brawley, Cathers & Co., Fry & Co. Ltd., Dominick Corpn. of Canada, Anderson & Co. Ltd., Credit Interprovincial Ltee, Bankers Bond Corpn. Ltd., Osler, Hammond & Nanton Ltd., Eastern Securities Co. Ltd., F. J. Brennan & Co. Ltd., Societe de Placements, Inc., Wills, Bickle & Co. Ltd., Bartlett, Cayley & Co. Ltd., Walwyn, Stodgell & Co. Ltd., Pemberton Securities Ltd., The Western City Co. Ltd., G. E. Leslie & Co., Tanner Bros. Ltd., Molson & Co. Ltd., Isard; Robertson & Co. Ltd., Jennings, Petrie & Co. Ltd., Houston, Willoughby & Co. Ltd., Stanbury & Co. Ltd., Grant Johnston & Co. Ltd., John Graham & Co. Ltd., Deacon Findley Coyne Ltd. and Gasgrain & Co. Ltd.

COMMON

Canadian Fairbanks-Morse Co., Ltd. — 61,272 Class "B" shares. Offered at $8.50 per share to yield 7.01% by W. C. Pitfield & Co. Ltd., Royal Securities Corpn. Ltd., James Richardson & Sons, Ross, Knowles & Co Ltd., Midland Securities Corpn. Ltd., Eastern Securities Co. Ltd., F. J. Brennan & Co. Ltd. and The Western City Co. Ltd.

Stafford Foods Ltd. — 225,000 common shares (without par value). Offered at $5.00 per share by Ross, Knowles & Co. Ltd., L. G. Beaubien & Co. Ltd. and Osler, Hammond & Nanton Ltd.

Bond Tenders

12 Noon, Dec. 4, 1959, Municipality of the District of Argyle, N.S.—6% 1-20-year debentures, $75,000. Dated Dec. 1, 1959.

12 Noon, Dec. 3, 1959, Government of Canada Treasury Bills—Payable Mar. 4, 1960 and June 3, 1960, $120,000,000. Dated Dec. 4, 1959.

Canadian Stock Exchange

Stock	Bid	Ask	Stock	Bid	Ask
INDUSTRIAL					
Abitca L	30	33	Burnt Hill	13	15
Bldg Cort	9	13	Calumet U	3	3½
Do p	10½	..	Canalask	5	6
Blue Bonnets	..	..	Canorama	45	48
Raceway	8½	9½	Canuba	3½	4
Bel. Stores	7½	..	Carbec M	7	10
Do p	13	..	Cartier Q	15	20
Bfly Ho	200	250	Cent Man	4½	5
C Arena	160	..	Chess Min	11	13
C Ink Inv	17½	21	Chipman	5	6½
Do p	78½	..	Cominga	..	9
C Pr & P	6½	..	Con Bi-Ore	7	11
C Silk A	190	..	Con Monp	8	10
Czano A	130	..	C Q Yell	5	6½
Con Div A	75	110	Dolsan	7	9½
Do p	32	..	Fab Met	10	13
Crain RL n	30½	..	Famo	3½	4
Dalfen's	150	165	Fatimo	61	..
David & Fr. A	42	48	Fontana	3½	4
Dom Eag	16½	18½	Fundy Bay	6	7
E Koot p	115	115	Gold Age	41	43
Feralco I	..	100	Gui-Por U	8	15
Hub Fil	7	..	Haitian	4	4½
I Paints A	..	10	Hillcrst C	245	..
Do p	18	20	I Ceramic	8	11
I Found	40	47	Iso Uran	22	..
Do p	51½	57½	Kontiki L	6	7½
Lambert B	121	..	Lingside c	4	5
Latonia I	22	22½	Lithium	9½	..
Lochaber	150	..	Mid-Chib	28	31
London C	10½	11	Mogador	8	9
Melchers D	8	9½	Monpre	18	34
Do p	12	13	Montgary	55	57
Mtl R Dairy	7	7½	N Formasq	15	16
Mtl R Rice	18½	20	N Jack L	4	5
Mussans	10½	11	N Pacific	45	52
Nfld L&P	50	51	N Vinray	4	5
PAC Atl.	..	315	N W Amu	52	63
Paton Mfg	8	9½	Nocana	7½	9
Do p	19	22½	N Am Asb	7	8
Paul S S	..	11½	N Am Rar	45	47
Pr Crp 1st	42	43½	Obalski	10½	12
Do 2nd	65	66	Opemisca	26	27
Prem Steel	8½	81	Orchan U	72	76
Que-Tal	30	..	Partridge	10	15
Do warr	11½	..	Paudash	35	36
Do A	245	..	Pennbec	27	30
Renold A	16	..	Pitt	4	4½
Sangamo	11½	14	P Prime	5	6
Shop&S n	11½	11½	Portage	65	73
Sobeys St	13¼	14	Q Cobalt	115	126
S Can p	116	120	Q Smelt	15	19
Tke Bros	10	45	Robval M	..	50
Tr C Cpr	31	32½	Red Crest	4	4½
Un Am A	12	..	St L Min	465	475
Do B	12	..	S Dufault	8	10
Do vt A	12	..	Std Gold	7½	9
Un Dist.	11	..	Sunlock	20	..
U Princ P	215	220	Tache Lk	..	10
Watermn	325	340	Tazin	10	13
Win Hotel	30	34	Tib Exp	6½	7
Wood mfg	..	38½	Trebor	3½	4
MINES—Cents			Val Lith	3½	4
Alscope	9	9½	Vanguard	20	24
Ameran.	03½	05	Virg Min	8½	11
Anthonian	5½	8	Wendell	4½	5
Arno	8	9½	Westville	4½	5
Atlas Sulp	6	7	**OILS—Cents**		
Aug Exp	26	28	Bluewater	21	..
Aull	5	6	Bonn'ile	22	23
Baker Tal	15	15½	Castle	4½	7
Band-Ore	4	4½	Futurity	32	40
Bateman	38	40	Gaspe	4½	5
Beatrice	4	5	Israel Con	11	16
Bellechse	52	55	N Sp Coul	3½	4½
Belle-Chib	5½	6	Quebec O	3	3½
Bornite	5	5½	Titan Pet	27	28

SPECIAL BUSINESS FACILITIES for
- sales conventions
- office meetings
- product demonstrations

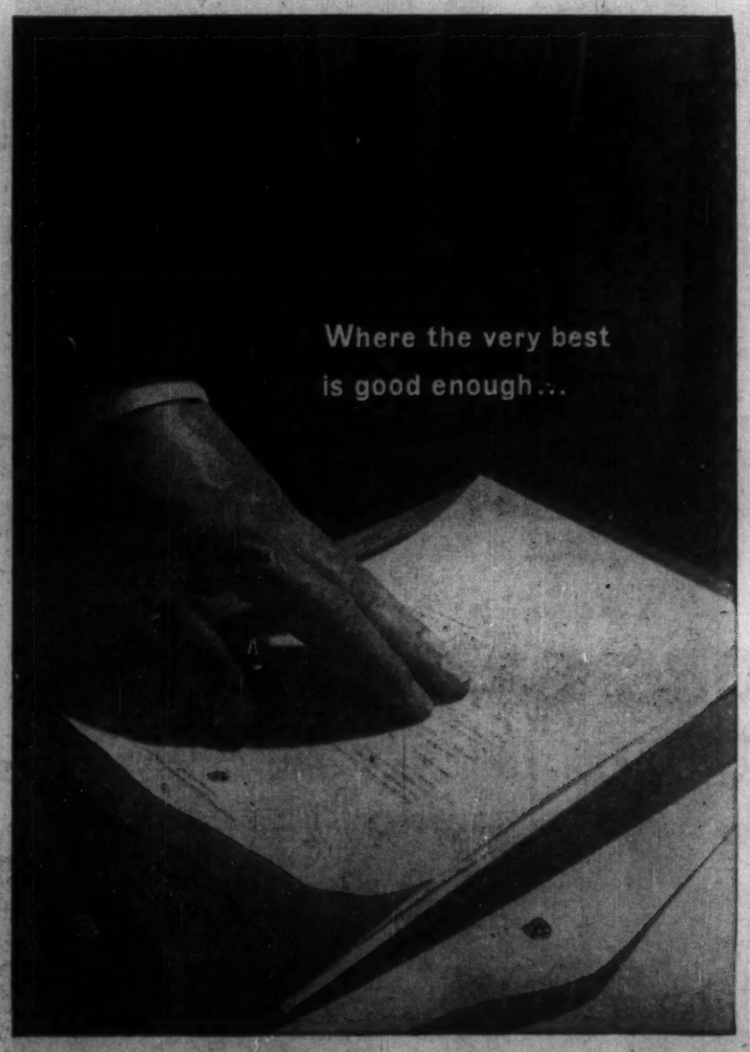
projection equipment available

at Toronto's fabulous Seaway HOTEL

only 7 minutes from downtown via the Lakeshore Road

free parking at the door

call RO 6-4392 for reservations



you find SUPERFINE LINEN RECORD

Because this beautifully fine all new-rag letterhead paper blends impressive richness with quiet dignity, noted names in commerce, finance and industry utilize it to lend weight to words, to create confidence, to inspire goodwill. They know that its admirable quality is a passport to every man's respect. Apart altogether from the dignity it will carry as your letterhead, it is the perfect choice for life insurance policies, contracts, wills and other important documents.

Rolland Paper COMPANY LIMITED

High grade paper makers since 1882

MONTREAL - TORONTO - WINNIPEG VANCOUVER - MILLS AT ST. JEROME AND AT MONT ROLLAND, QUE.

Price Earnings Ratios

RATIO OF MARKET VALUE TO EARNINGS OF THE 20 STOCKS COMPRISING THE TORONTO STOCK EXCHANGE INDUSTRIALS INDEX

EARNINGS PER SHARE	PRICE Nov. 27	RATIO Nov. 27	WEEK PREVIOUS	MONTH AGO
$45.99	$838.38	18.23	18.14	17.90

Average Yields

(COMPILED BY MOSS LAWSON & CO.)

	NOV. 27 %	MONTH PREVIOUS %	YEAR AGO %
114 Average Stock Yields	4.46	4.38	4.15
6 Banks	3.22	3.25	2.97
18 Preferred and "A" Stocks	5.13	5.16	4.94
64 Common Industrials	4.00	3.94	3.80
26 Mining	5.41	5.16	4.89

Advances and Declines

Week Ended	Toronto Ups	Toronto Downs	Toronto No Change	Montreal Ups	Montreal Downs	Montreal No Change
Oct. 16	295	350	178	89	126	115
Oct. 23	247	407	206	82	159	111
Oct. 30	349	340	182	146	126	113
Nov. 6	300	360	193	117	111	115
Nov. 13	277	424	186	101	137	124
Nov. 20	233	482	178	81	144	116
Nov. 27	253	428	193	106	155	131

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Nov. 30	417,100	2,197,000	48,690	75,560	5,180,000
Nov. 27	299,000	2,139,000	28,437	86,569	4,320,000
Nov. 26	258,300	1,258,000	17,150	64,501	Holiday
Nov. 25	346,000	2,381,000	41,845	67,050	5,070,000
Nov. 24	354,000	2,282,000	67,196	67,827	5,240,000

Significant Investors' Index Numbers

No. of Secbrities	Mach. and equip. 10	Pulp and paper 9	Mill-ing 2	Oils 5	Textiles and cloth-ing 7	Food and allied prod. 13	Bever-ages 10	Bldg mater. 14	Total Indus-trials 72	Banks 7	Total Utili-ties 13	Total co's 93
*1935 to date:												
High	947.5	1238.1	252.0	285.5	410.5	304.8	734.4	590.5	315.9	309.1	219.8	297.8
Low	68.5	51.6	59.7	40.9	77.7	72.4	79.3	66.7	56.1	68.4	64.5	60.6
1959												
Monthly Figures:												
Jan.	690.9	1077.3	198.5	216.7	194.9	286.4	666.7	518.6	273.4	327.6	198.9	268.0
Feb.	674.4	1131.8	200.6	215.4	205.0	302.6	678.4	535.3	279.1	335.8	202.0	269.9
Mar.	682.7	1129.8	199.2	209.6	213.9	301.8	668.0	544.7	278.3	345.9	202.6	270.2
Apr.	666.2	1117.4	198.4	204.8	215.9	299.6	662.1	529.8	271.7	357.1	201.3	268.8
May	686.6	1100.8	211.0	200.0	215.4	292.0	670.6	526.6	271.5	370.4	204.3	267.2
June	716.4	1119.6	230.9	189.9	219.8	279.2	677.7	537.1	274.4	379.0	201.6	269.5
July	834.3	1183.7	239.9	192.9	227.5	273.7	702.7	580.1	286.2	387.5	203.0	279.3
Aug.	794.0	1169.2	233.0	193.0	230.1	264.2	702.4	564.6	282.0	373.7	199.8	274.6
Sept.	741.3	1086.0	221.2	176.7	211.4	251.7	636.7	533.0	261.6	347.6	188.9	255.4
1959												
Weekly Figures:												
Oct. 1	658.5	1096.3	216.3	173.2	211.6	252.6	653.6	519.2	260.0	361.7	188.5	253.3
Oct. 8	757.3	1090.3	203.7	169.0	207.7	248.3	651.7	515.4	257.7	358.1	187.4	253.0
Oct. 15	754.0	1092.4	202.6	163.5	203.1	250.7	656.9	511.4	256.9	359.1	187.4	252.4
Oct. 22	732.4	1085.5	208.7	163.1	202.9	239.8	645.1	507.7	254.0	351.1	186.2	249.5
Oct. 29	722.5	1089.4	206.3	171.0	203.2	233.9	655.0	517.6	258.4	343.4	187.0	252.3
Nov. 5	712.4	1110.5	204.4	169.6	202.0	236.8	666.9	523.9	259.0	338.6	187.3	253.6
Nov. 12	714.4	1118.4	219.8	172.4	205.1	235.9	666.6	536.9	261.4	342.1	186.9	254.5
Nov. 19	690.8	1121.1	206.9	166.8	210.0	228.8	668.9	528.7	256.5	346.0	185.5	250.8
Nov. 26	707.7	1146.1	208.3	164.9	208.4	227.9	672.7	526.8	259.9	342.4	187.9	253.5

*High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics.

TORONTO STOCK EXCHANGE INDEX	20 Indust.	20 Golds	15 B.M.	15 W.O.
Nov. 30	515.94	85.29	165.70	100.08
Nov. 27	516.85	85.62	165.61	100.06
Nov. 26	517.31	85.75	166.08	99.40
Nov. 25	515.50	85.85	165.94	99.17
Nov. 24	513.84	85.82	166.03	98.49
Month Ago	510.67	86.85	169.15	107.00
Year Ago	505.81	83.90	172.65	133.23
1959 High	555.65	95.13	192.15	145.22
1959 Low	489.77	84.80	157.19	96.31

MONTREAL STOCK EXCHANGE INDEX	10 Util.	30 Indust.	30 Com.	10 Pprs.	15 Golds
Nov. 30	142.8	309.0	253.6	446.5	78.28
Nov. 27	142.8	309.2	253.7	446.3	79.07
Nov. 26	142.3	309.5	253.8	446.5	80.61
Nov. 25	142.1	308.0	252.7	446.4	81.52
Nov. 24	142.2	306.6	251.8	446.3	81.76
Month Ago	142.6	300.9	248.1	426.4	83.95
Year Ago	149.3	294.9	248.4	456.0	82.02
1959 High	174.4	309.2	253.8	456.0	92.77
1959 Low	141.3	285.9	236.0	403.4	78.28

DOW-JONES CLOSING STOCK AVERAGES

	30 Indust.	20 Rails	15 Util.	65 Stocks
Nov. 30	659.18	150.11	86.56	213.80
Nov. 27	652.52	148.60	86.40	211.95
Nov. 26	Hol.	Hol.	Hol.	Hol.
Nov. 25	651.10	146.91	86.10	211.07
Nov. 24	649.69	147.21	85.91	210.78

	30 Indust.	20 Rails	15 Util.	65 Stocks
Month Ago	646.60	154.50	87.47	212.58
Year Ago	560.07	156.02	85.06	194.56
1959 High	678.10	173.56	94.70	224.35
1959 High	574.46	148.25	85.05	200.09

Government Bonds

Dec. 1, 1959 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Asked
Govt. of Canada Bonds:			
3	Perpetual	70	72
2½	June 1967/87	83½	84½
3½	Jan. 1975/78	79½	80½
3¼	Mar. 1998/98	79	81
3	Dec. 1960	98½	98¾
3	May 1961	97¾	98¼
3¼	May 1970	86	87½
3¼	Oct. 1979	76½	77½
2½	Apr. 1960	99½	99¾
4½	Sept. 1972	87½	88½
4½	Sept. 1983	86	87½
3	Dec. 1959	99½	100
4	Jan. 1963	97½	99
5½	Oct. 1960	100½	100½
5½	Oct. 1962	100½	101½
Can. Nat. Railways:			
2	Jan. 1961/66	86	88
2½	Sept. 1964/89	79½	81½
2½	Feb. 1961/63	92	93½
2½	Jan. 1964/67	83	85
3¼	Feb. 1972/74	81	83
4½	Feb. 1981	79½	81
5	May 1977	92½	94
Int. Bank of Reconstruct. & Development			
3½	Apr. 1965	86	88
3½	June 1969	82½	84½
C'wealth of Australia:			
4	Nov 1970	85½	87½
Prov. Govt. Bonds			
Alberta Tel. Gtd.:			
4½	July 1976/78	90	93
British Columbia:			
3	June 1964	88	89
Pac. Gt. East. Ry. Gtd.:			
4½	Dec. 1987	81	84
Ont. Hydro:			
4½	Nov. 1964/87	89	91
5	Apr. 1974/77	90½	92½
4	Jan. 1974/76	80	82
5½	July 1979	97	99
Quebec:			
4½	Jan. 1974/77	86	88
New Brunswick:			
4½	Oct. 1968/71	83	85
5	Oct. 1974/77	87	90
Ontario:			
4½	Dec. 1962/63	94½	96½
4	Jan. 1966/68	87½	89½
3	Nov. 1963/65	85½	87½
5	Jan. 1977/79	90	92
5½	Aug. 1977/79	95½	98
Man. Hydro:			
5	July 1975/77	89½	91½
Manitoba:			
3	Oct. 1965	83½	85½
Nova Scotia:			
4½	Dec. 1975/77	84	87
5	June 1975/77	89	91
Quebec Hydro Commission:			
5	Nov. 1980/82	88	90
Saskatchewan:			
4½	Nov. 1974/76	81	84
3½	Oct. 1963/65	86	88
Newfoundland:			
4½	July 1962/64	91	93
5½	Feb. 1977/79	85	88

Corporation Bonds

Supplied by Investment Dealers' Association of Canada As of 10 a.m.

Dec. 1, 1959

	Bid	Ask
Abitibi Pr. & Pap., 6½, 1977	100	103
Alta. Gas Trunk L. 5½, 1961	87c	90c
Algoma Central & H.B.R., 5½, Mar. 1, 1979	94	96
Algoma Steel, 5½, 1978	92	93c
Aluminum Co., 4½, 1973	86½	88½
Bathurst Pr. & Paper, 5½ '73	92	95c
Bell Phone, 5½, July 2, 1980	92	93
Bicroft Uranium, 5s, 1962	94c	96c
Bowater Power, 3½s, 1980	74½c	...
Bras. Tract., L. & P., 4½ '70	80	84
Brit. Amer. Oil, 5½, 1977	91	93
B. C. Electric, 5½, 1958	85	87
Do., 6s, 1964	108c	108½c
B. C. Tele., 5½, Nov. 1, 1983	89c	91c
Can. Cement, 5½s, 1976	93c	94c
Cdn. Breweries, 5s, 1983	87	89
Cdn. Brit. Alum., 5½s, 1980	93	95
Cdn. Chemical, 5½s, 1971	91c	93c
C-I-L, 5½ 1977	96	98
Cdn. Oil Cos., 4s, 1976	78	81
CPR, 3½, Oct. 1, 1966	85	86
Do., 5s, 1963	97	99
Can. West. Nat. G., 5½s, 1963	91	93
Cockshutt Farm Eq., 4½s, '65	89	91
Columbia Cellulose, 5s, 1968	91	...
Cons. Denison, 5s 1963	95	97
Consumers' Gas, 5s, 1978	83c	90c
Dom. Stores, 5½s, 1976	93	94
Dom. Tar & Ch., 5½s, 1978	89½	91½c
Dryden Paper, 4½, 1974	...	86
T. Eaton Accept., 4½, 1974	86	89
T. Eaton Realty 5s, 1978	88	90
Eddy, E. B., 4s, 1974	76½	...
Gen. Motors Acc., 6½ 1977	99½	101
Gt. Lakes Paper, 5s, 1976	86	88
Gt. Lakes Pwr., 4½s, 1975	79	82
Gt. Wpg. Gas, 5½s, Dec. 1, '80	81	84
Do., 5½, Dec. 1, 1978	91c	93c
Gunnar Mines, 5s, 1960	98½	100½
Hud. Bay Oil & G., 4s, 1975	77c	79c
Husky Oil & R., 5½s, 1973	84c	87c
Imp. Oil 3s, 1969	81	83
Indust. Accept., 5½s, 1978	91	93
Inland Nat. Gas, 6s, 1962	89½c	91½c
J. Labatt, 5½s, Jan. 2, 1979	92	94c
Loblaw Groc., 6s, 1977	96½c	98½c
Lorado Uran., 6, 63	84c	86c
MacMillan & Bl., 5½s, 1978	93½	94c
Massey-Ferg., 4½s, 1976	84	86
North Star Oil, 5½s, 1977	88	90
North Ont. Nat. G., 5½s, '82	85	87
Northwestern Util. 5½s, 1963	91	93
Ont. Jockey Club, 5½s '72	82	85
Ont. N.G. St. & P., 5½s, 1978	89	92
Pac. P., 5½, Apr. 1, '73 ex wt	72c	74c
Phillips Electrical, 5s, 1973	87½	...
Pronto Uranium, 5s, 1960	99	101
Que. Nat. Gas, 5½s, 1965	83	85
Regent Refrig., 4½s 1975	79	...
St. Law. Corp., 5s, 1978	88c	90c
Shaw W & Pwr., 4½s, 1976	87	89
Simpsons Ltd., 4½s, 1973	89	91
Simpsons-Sears, 4½s, 1979	87	90
Stanleigh Uranium, 5½s, 1962	87	89
Toronto Star, 5½s, 1978	91	93
Trans-Can. P.L., 5.85s, 1987	88	90
Traders Fin., 5½s, Oct. 15, '74	92c	95
Union Gas, 5s, 1977	89c	90½c
Westcoast Trans., 5½s, 1968	73c	75c
Weston, Geo., 4½, 1971	87	89
CONVERTIBLE ISSUES		
Abitibi Pr. & P., 4½s, 1968	98½	99½
Atlas Steels, 5s, 1967	106c	111c
Braz. Tract., L. & P., 4½s, '71	73	78
Camp. Chib., 6, Nov. 1, '68	98c	103c
Cdn. Delhi Oil, 5½s, 1973	98	100
CPR, 4s, 1969	84	85
Cdn Utilities, 5½s, 1977	102	...
Cockshutt Farm Eq., 5s, '68	89	91
Greyhound Lines, 5½s, 1978	98	100c
Home Oils, 5½s, 1971	99	101
Loblaw Groc., 4½s, 1976	113c	117c
Phillips Elect., 5½s, 1970	91	...
Shawinigan, 5½s, 1972	110	112
Silverwood Dair., 5½s, 1972	98c	101
Simpsons Ltd., 5½, Sep. 15/79	111c	113
Trans Emp., 5½s, 1967	93	...
Do., 5s, 1966	91	...
Triad Oils, 4½s, 1971	78	81
Westcoast Trans., 5½s, 1968	81	83

e—Change.

Calgary Oils

	Bid	Ask		Bid	Ask
Albedena	5½	7	Ldmnstr D	12	20
Aldina-Led	4	6	Merit	37½	42
Amalta	3	4	Meriland	12½	13
Anaconda	..	85	Mill Creek	10	14
Anamera	..	100	Mollusca	10	16
Barons	3½	4	Monarch	1½	2
Bashaw L	5	7¼A	N Richfield	3	3½
Blue Cr	21	23	New York	8	12½
C Fortune	3½	4	N Contntal	1	1½
Carleton	40	..	Nuco p	6	8½
Castle	12	15	Pamoil	39	..
Century	2	2½	Ranchmen's	8	11
Claybar	9½	11	Ranger	130	..
Command	50	..	Renfrew	2	3½
Com Min	8	..	R C Vent	14	..
Dom Lhld	..	174	Sage	69	78
Dom Min	2	2½	Sarcee	115	..
Dynamic	130	..	Sastex	3½	..
E Can Gas	2	5	Share	3½	4
Edoran	3	3½	Silver City	2½	4
Gold Sat	4	..	Siscalta	50	60
Gold Spike	4	4½	Sturgeon	4½	6
Ind Chem	..	90	Transfield	2½	3½
Ken Pet	2	3	Tri-Zone	3	5
Keno	21	22	Tur Valley	18	21
Leamac	6	7	W Warner	7½	7½
Leduc C	8	7			

Toronto Curb

	Bid	Ask		Bid	Ask
Andian	5	6	Do p	74½	75½
A C	41½	44	Gaspe	22	23
Ang-N	7½	7½	Hayes	24	26½
Asbest	26½	26½	I Pap	128½	129
B A B	80	..	I Util	33½	34

DIVIDEND NOTICES

dividend notice

Notice is hereby given that a Dividend at the rate of Forty-seven and One-half Cents per fully paid share in the Capital Stock of the Bank has been declared for the quarter ending January 31st, 1960, payable at the Head Office and Branches of the Bank on and after February 1st, 1960, to shareholders of record at the close of business on December 31st, 1959.

By Order of the Board
Toronto, Ontario
November 26th, 1959

A. T. LAMBERT,
General Manager

THE TORONTO-DOMINION BANK
THE BANK THAT LOOKS AHEAD
2A-3734

CANADA PERMANENT
MORTGAGE CORPORATION

Notice is hereby given that a dividend of Fifty Cents per share on the paid-up Capital Stock of the Corporation for the current quarter has been declared, the same to be payable Saturday, the 2nd day of January, 1960, to shareholders of record at the close of business on the 15th day of December, 1959.

By Order of the Board.
Geo. D. Laverock,
Secretary.
Toronto, November 18th, 1959.

FOUNDATION COMPANIES CANADA

DIVIDEND NOTICE

Notice is hereby given that a Dividend of twelve and one-half cents ($0.12½) per share for the quarter ending December 31, 1959, has been declared on the No Par Value Common Shares of The Foundation Company of Canada Limited, payable January 15, 1960, to Shareholders of record at the close of business on December 23, 1959.

By Order of the Board.
E. T. GREARSON,
Secretary.
Montreal, Quebec,
November 26, 1959.

BOWATERS MERSEY PAPER COMPANY LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a quarterly dividend of sixty-eight and three quarters cents (68¾c) per share has been declared on the outstanding 5½% Cumulative Redeemable Preferred stock of the Company payable January 1st, 1960 to shareholders of record December 4th 1959.

J. A. PARKER,
Secretary
Liverpool, Nova Scotia,
November 24th, 1959.

CANADIAN VICKERS LIMITED

COMMON SHAREHOLDERS

Notice is hereby given that a quarterly dividend of fifteen cents (15 cents) per share on the 545,000 shares outstanding has been declared and will be paid on the 15th day of January 1960, to shareholders of record at the close of business on December 31st 1959.

(Signed) J. B. Hatcher,
Secretary.
Montreal
November 24th 1959.

DOMINION GLASS COMPANY LIMITED

Notice is hereby given that a dividend of one and three-quarters percent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December 1959.

Notice is also hereby given that a dividend of Fifty-five Cents (55c) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December 1959.

The above dividends will be paid on Friday, the 15th day of January 1960, to shareholders of record at the close of business Monday, the 28th day of December 1959.

By Order of the Board.
T. B. KING,
Secretary.
Montreal, 24th November, 1959.

YALE & TOWNE
287th Quarterly Dividend

37½¢ a Share
Payable: Jan. 2, 1960
Record date: Dec. 10, 1959
Declared: Nov. 24, 1959

Elmer F. Franz
Vice President and Treasurer

THE YALE & TOWNE MFG. CO.
Lock and Hardware Products since 1868
Materials Handling Equipment since 1875
Cash dividends paid every year since 1899

CHARTERED TRUST
COMPANY

DIVIDEND NO. 164

A quarterly dividend of 40c per share has been declared payable on January 2nd, 1960 to shareholders of record at the close of business on December 15th, 1959.
Toronto, November 17, 1959.
H. G. Soward, F.C.I.S.
Secretary.

THE SHERWIN-WILLIAMS COMPANY of Canada, Limited

Notice is hereby given that the one hundred and ninety-fourth quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, for the quarter ending November 30th, 1959, on the Preference Shares of the Company, has been declared payable January 2nd, 1960, to shareholders of record the 10th day of December, 1959.

By Order of the Board,
P. W. HOLLINGWORTH,
Vice-President and Secretary-Treasurer
Montreal, Quebec,
October 22nd, 1959.

DIVIDEND NOTICE

THE BOARD OF DIRECTORS of Crown Zellerbach Canada Limited has declared a dividend of 25 cents per share, payable January 4, 1960 to Class "A" shareholders of record as at December 11, 1959, and a dividend of 25 cents per share, payable November 27, 1959 to Ordinary shareholders of record as at November 20, 1959.

T. A. A. Fraser, Secretary,
Crown Zellerbach Canada Limited,
Vancouver, B.C., Nov. 23, 1959.

R. L. CRAIN LIMITED

DIVIDEND NOTICE
DIVIDEND NO. 56

NOTICE IS HEREBY GIVEN that Dividend No. 56 has been declared on the common stock of the Company at the rate of ten cents (10c) per share for the fourth quarter ending December 31st, 1959, payable on and after December 31st, 1959, to shareholders of record at the close of business on December 11th, 1959.

By Order of the Board.
HENRY R. NURRISH,
Secretary.
Dated at Ottawa this
26th day of November, 1959.

TEXACO
CANADA LIMITED

"PREFERRED STOCK DIVIDEND NO. 84"

NOTICE IS HEREBY GIVEN that a Dividend of $1.80 per share, being at the rate of 4 per cent per annum, has been declared on the 4% Cumulative Preferred Stock of Texaco Canada Limited for the quarter ending December 31, 1959, payable January 20, 1960 to shareholders of record at the close of business on December 31, 1959.

By Order of the Board,
D. F. BENTLEY,
Secretary.

BIRD CONSTRUCTION COMPANY LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of Sixty (60c) cents per share as previously declared and a Dividend Bonus of Forty (40c) cents per share on the Company's outstanding Common Shares, will be paid on December 31 1959 to Shareholders of record on the books of the Company as at the close of business December 15th, 1959.

By Order of the Board.
JOHN LAWRIE,
Secretary-Treasurer.
WINNIPEG, Manitoba,
November 27, 1959.

DIVIDEND NOTICES

AGNICO
MINES LIMITED
Silver-Cobalt Producer

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 6 cents per share has been declared by Agnico Mines Limited, payable three cents per share on January 15, 1960, to shareholders of record December 31, 1959 and three cents per share, payable on July 15, 1960, to shareholders of record June 30, 1960.

By Order of the Board.
R. D. BELL,
Secretary.
Toronto, Ontario,
December 1, 1959.

WESTERN GROCERS LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared payable January 15th, 1960, to shareholders of record December 15th, 1959:

Thirty-five Cents per share on the Preferred Shares $20 Par $1.40 Series;
Fifty Cents per share on the Class A Shares;
One Dollar ($1.00) per share on the Common Shares.

H. L. JORDAN,
Secretary.
Winnipeg, Man.,
November 27, 1959.

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF 303rd DIVIDEND

A quarterly dividend of fifty-five cents per share has been declared payable on the 15th day of January, 1960 to shareholders of record at the close of business on the 15th day of December, 1959.

Montreal, Nov. 25, 1959
S. C. SCARDINE,
Secretary

ROBINSON, LITTLE & COMPANY LIMITED

DIVIDEND ON COMMON

NOTICE IS HEREBY GIVEN that a dividend of Twenty (20) cents a share has been declared on the Common Stock of the Company payable on the 31st December, 1959 to shareholders of record at the close of business on the 15th December, 1959.

JACK L. MacDONALD,
Secretary-Treasurer.
Winnipeg, Manitoba,
November 23th, 1959.

THE SHAWINIGAN WATER AND POWER COMPANY

The following dividends have been declared

NO PAR VALUE
CLASS "A" COMMON SHARES
DIVIDEND No. 12

Thirty-three and one third cents (33 1/3c) per share payable February 15, 1960, to shareholders of record, January 19, 1960.

NO PAR VALUE
COMMON SHARES
DIVIDEND NUMBER 210

Twenty cents (20c) per share for the quarter ending December 31, 1959, payable February 25, 1960, to shareholders of record, January 14, 1960.

R. R. MERIFIELD,
Secretary
Montreal, November 23, 1959

NOTICES

ANNUAL MEETING NOTICE

THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its Head Office, 25 King Street West, Toronto, on Tuesday, the 8th day of December next.

The chair will be taken at eleven o'clock a.m., Eastern Standard time.

By order of the Board,

J. P. R. WADSWORTH
General Manager

Toronto, September 25, 1959

DIVIDEND NOTICES

THE ROYAL BANK OF CANADA

ANNUAL MEETING

The Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 14th day of January, 1960, at 11 o'clock, a.m.

By Order of the Board.
K. M. SEDGEWICK,
General Manager.
Montreal, Que.,
December 1, 1959.

ATLANTIC WHOLESALERS, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of 25c per share has been declared on Class "A" and Class ("B" shares of the Company payable January 2, 1960, to shareholders of record December 15, 1959.

By order of the Board.
R. G. SHARPE,
Secretary.

BRITISH COLUMBIA FOREST PRODUCTS LIMITED

NOTICE

of

FOURTEENTH ANNUAL GENERAL MEETING OF SHAREHOLDERS

995 West Sixth Avenue,
Vancouver 9, B.C.

To the Shareholders of
British Columbia Forest Products Limited:

NOTICE IS HEREBY GIVEN that the Fourteenth Annual General Meeting of the shareholders of British Columbia Forest Products Limited will be held at Salon "A", Hotel Vancouver, 900 West Georgia Street, Vancouver, British Columbia, on Wednesday, the 16th day of December, 1959, at the hour of 12 o'clock noon (Vancouver time) for the purpose of electing a Board of Directors for the ensuing year, considering the accounts and balance sheet, receiving the reports of the directors and auditors, conferring a general authority to take or acquire by purchase or otherwise any shares in any other corporation (which authority shall expire at the next general meeting of the shareholders of the Company unless it is continued by ordinary resolution passed thereat) and transacting such other business as may properly be brought before the meeting.

DATED at Vancouver, British Columbia, this 26th day of November, 1959.

BY ORDER OF THE BOARD,
A. G. RANKIN,
Secretary.

Market Bid and Ask Quotations

Montreal & Toronto
Dec. 1, 1959

	Bid	Ask
xAbacus	29	31
Abitibi	39½	39½
Do p	23½	22½
Ac-Atl	10	10½
Ac-A A	18	19½
Do p	93	...
xAc Ur	8	8½
xAcme	17	19
Admi	22½	23
xAdvoc	270	280
Ag-S	17½	17½
xAgnico	57	58
xAjax	62	65
xAkaite	44	49
xAlba	7½	8
xAlta D	220	225
Do vt	225	235
Do w	115	130
Alt Gas	28½	29½
xAP Con	...	43
Alg	11½	11½
Alg C	18½	18½
Do p	59	61
Do w	635	685
Algma	36½	37½
Algon	7½	8
Do p	18½	19
xAll R	26	28
xAlmin	236	245
Alumi	29½	29½
Do 1 p	19½	19½
Do 2 p	42	42
xA-Lar	21	24
xA Rare	7½	8
xAm L	9½	10
xA Nep	80	85
xAnae	55	57
Analog	8½	8½
Do w	350	400
xAnch	11½	12
Ang-Cdn Tel	49	...
A Pip p	49	50
Ang Hu	11½	12
xAng R	21	23
xAnsl	15½	16½
Anthes	35	37½
Do p	...	90
xArc w	4	5
xArea	90	95
Argus	31½	31½
Do 240 p	67	70
Do 250 p	45	45½
xArjon	7½	8
xAsama	88	92
Ash A	9	11½
Do B	13½	13½
xAsh T	7	8
Do A	92	...
Do B	8½	8½
xA Are	49	50
Atl A	10½	12
Do B	17	18
xAtl C C	190	200
Atlas	26½	26½
xAt Yk	7	8
xAt-Ruf	10½	11½
xAubel	2	2½
xAumac	8½	11
xAumaq	6	7
xAunor	275	...
Aut El	25½	26
Aut P A	71	91
Do B	340	380
xAvilla	2	2½
xBly SA	670	700
Do p	17½	18½
Do 5%	18½	19
xBanff	103	110
xBnkno	19	20
xBnkfld	8	9
Bk Mtl	53½	54
By NS	70	70½
Bnge Can	52	53
Barb-E	65	...
xBrcina	54	...
xBarnat	141	144
xBary E	57	60
xBasco	77	80
xBase M	16	16½
xBaska	11	12
xBata	5	5½
Ba In	5	8
Bath A	41½	41½
Do B	25½	26½
xB-Duq	19	20
Beatty	8	8½
xBeav L	13	14
Beven	14	15
xBibis	7½	8
xBicrft	63	66
xBidcop	11	11½
Bilt	6½	6½
Do p	13	14
xBi Bay	9½	10
xBonvill	2	3
xBordul	6	7
xBouzn	56	57
Bow p	42	44
Wo 51 p	46½	49
Bow-Mer	45	46½
Bowat	81	81
Bowes	23	...
xBoymr	7	7½
xBrlrn	43½	49
xBrasla	...	60
Brazil	47½	49½
Do p	...	89
Br T	20	20½
Do p	44½	45
Bright	42	43
Do p	20½	22
xBritalt	200	214
BA Oil	31½	31½
BCE 4 p	70½	71
Do 4ip	38	39
Do 4ip	41½	41½
Do 4ip	83½	84
Do 5 p	44½	45½
Do 5ip	49½	50
BC For	33	132
BC P A	14½	15½
Do B	15	15½
BC Pow	35½	35½
BC Phone	42	42½
Brooke p	17	19½
xBr Reef	44	46
Brown	9½	10
Bruck A	10½	11½
Do B	250	325
xBrshrst	2	2½
xBrnsmn	2	2½
xBrnuk	230	240
xBufad	8	8½
xBuf A	144	155
xBuf RL	7	7½
Bld Prd	31	31½
Bull A	6	6½
Do B	...	5½
xBunk H	7	7½
Burlton	17½	17½
Do Rts.	80	82
Burns	13½	14
Burr A	6½	6½
xCalalta	42	43
Cal Ed	30½	31
Cal Pow	18½	18½
Do 5 p	85	96½
xCalv C	350	...
xCalvert	45	50
xC Chib	600	620
C R L	12½	13½
Canada		
xC Brd	350	370
C B S	57	...
C Cem	33½	34½
Do p	26	27
CCC St	13½	13½
C Foil	19	23½
Do A	21½	22½
C Fnd A	22	...
C Fnd	8	14
Cl Fnd	21½	21½
Do 4i	80	81
C Life	200	...
C Mach	10	15
C Malt	55½	58
Do p	34½	34½
xC O Lds	103	105
Do w	30	31½
C P A	49	49½
Do B	47	48
C Perm	54½	56
C Saf 4 p	80	84½
xCSO w	63	65
xCS Pet	245	250
CSL	42½	44½
Do p	11	11½
C Wre B	91	91
Canadian		
xC Ast	7	8
C Baks	...	8½
C Bnk C	55½	56½
C Br	34½	35
Do p	...	40
CB Al	13½	13½
xCBA w	550	575
Do B w	535	545
C Can A	13½	13½
C Cel	20½	21
Do $1	15½	17½
Do $175	28½	28½
C Chem	6½	7
xC Chief	102	105
C Coll	7½	7½
Do p	70	71
xC Curt	280	280
xC Dev	360	370
C Drn S	12½	13
C Drdg	16½	17
xC Dyno	38	40
C F p	125	...
Do A	111½	111½
Do B	81	81
xC E Gas	208	212
xCF Pr	300	350
Do A	6	7
Do p	48	52
CGE	780	1180
CG S A	15	16
Do B	17	18½
xC High	37½	38
Tor Bld-Ask Jo 9 Pages 11-20 — — —		
xC Home	100	101
C Haky	325	340
Do w	465	475
GMC	49	49½
xGP Dr	105	110
Do A	105	110
GPM A	30	33
Do B	34	...
GSW	124	134
Do p	84	91
xGenex	10	11
xGeo Se	75	80
xGt Mas	16½	20
xGiant	945	990
xGlacier	22	23
xGlenn	7½	8
xGldale	16	17
xGP Ur	22½	24
xGoldray	18	20
Gdy	181½	185
Do p	42	42
G Mac A	6½	7
Do B	6½	7
Gtlu A	16½	17
xGranby	...	675
Gr Toy	42	55
xGrdroy	15½	17
xGduc	110	114
GL P	40	40½
GL Pow	28	28½
Do p	22	23
Do w	770	800
GN G	6	6½
Do p	37½	37½
Do 280	29	29
Do w	205	215
Do B w	210	225
Gr Pins	12½	13½
GW C A	450	475
Do B	350	350
G Wpg G	11	11½
Do vt	11	11½
Do 56 w	500	530
Do 58 w	560	600
Gr W	6	6½
xGrning	350	400
xGryhk	3	3½
Greyhnd	11½	11½
xGridoil	170	170
Guar T	26	27
xGulch	6	7
xGulf L	5½	7
Gunn	925	935
xGnar w	100	101
Gurney	8½	9½
Do p	23½	24
xGwlim	5	7
Hahn	19½	21½
Do 1 p	15	17
Do 2 p	8½	...
xHallnr	230	300
H Cot	17	18
H Carp	15½	15½
Hardee	10	10½
Do p	102	104
xHd Rck	10	11
xHar-M	9½	10
Hartz A	10	13
xHasaga	15	18½
xH of L	18	19
xHdway	27	28
xHeath	5	5½
Hees	425	450
xHendsh	420	435
Do p	...	55
xHevs	2	2½
xHiwh-B	145	148
H D	52½	55
Hi-T	10	10½
xHold A	5	5½
Do B	225	300
Holling	26½	26½
Holt Renf	17	17½
Ho O A	11½	11½
Do B	10½	11½
Horne	5	5
H Smit	40½	41
Do p	38	40
xHoyle	395	435
Hud B	49	49½
HB O G	11	11½
xH-Pam	9	10
Hu O A	11½	13
Do B	...	14½
Do p	23½	...
Hur Er	53½	54½
Imp B	65½	66
I Flo	35½	...
I In A	9½	...
I Inv P	19	20½
Do p	...	21½
Imp L	73	73
Imp O	34	34½
I Tob	11½	11½
Do p	5½	5½
xInd L	2½	3
I Acc	37½	37½
Do 450 p	86	90
Do 225 p	41½	47
Do 275 p	50½	52½
Do w	13	13½
Inger A	51	52
Inglis	450	475
Ing Bl	6	...
Do p	11	12
Inl C p	21½	21½
In G	6½	6½
Do p	14½	14½
Do w	155	180
xInspir	35	37
Int Bro	16½	17½
Do p	22½	23
I Mill p	67½	70
xI Moly	9½	10
I Nickel	99½	100
I Pete	31½	32
Intprov	9½	9½
I BC 55w	5	15
Do 59 w	105	110
Int Pl	56½	56½
IP Sti	5½	5½
Inv Syn	35	43½
Do A	30½	31
xIrish	158	180
xIrn B	205	210
Iroq G p	14½	15
Isto	24½	26½
xJ Wal	11	14
xJacobus	126	129
Jaica Pub	29½	30½
Jaica P S	103	...
xJayé	20½	21
Jeff	6½	6½
xJellico	9	9½
xJburk	10	11
xJock C	215	230
Do p	9½	9½
Do B p	8½	8½
Do w	42	44
Jons-M	47½	48
xJonsm	22	23½
Jour Ot	12½	13
xJows	37	...
xJump P	17½	18
xJupit	17½	18½
KEL D A	7	7½
Do w	375	385
Kelvin	8½	9
xKenvil	4½	5
Ker Ad	200	201
xKil	285	...
Do w	79	80
xKirk M	35	37
xKirk T	9	11
Labatt	27	27½
Labdor	25	28
Lfge A	...	...
LxL Cin	64	74
xL Duf	70	75
xLkind	245	250
xL Ling	6	8
xL Osu	20	24
xL Shor	400	410
xL Was	30	33
L Wds p	114	140
xLa L	410	450
xLamq	277	285
Lamb L	32½	34
xLanda	325	350
xLat Am	25	34
L Sec	23	24½
Laur A	12½	14½
L J A	20	23
Do B	...	20½
xLeitch	132	134
xLenc	8	9
Lewis Bro	10½	11
xLexndn	3	3½
xLLL	165	174
LobGro	90	120
Do 1 p	22½	28
Do B p	32½	36
Do 2 p	51½	...
LobCo A	24½	25
Do B	24½	25
Do p	42½	43½
LobA w	720	750
Loeb	8	8½
xL Hos	100	125
Do A	...	400
xLIP	16	17½
xL Point	43	48
xLorado	36	37
Do w	9	10
xLouvi	5	6½
Lr St Lawr	30	31
Lown	25½	27½
xLyndh	15½	16
xLynx	10	10½
xMacas	27½	30
xMacdon	28	30
xMacfie	5	6
Mackin Str	8	11
Do p	94	...
Mac L A	23	24
Mac L	102	103
MacM A	34½	...
Do B	32	34½
Mac DR A	34½	...
Do B	27½	27½
xMadan	27½	27½
xMagnt	9	10
Magnum	15½	...
Maher	24	25
Mailman	...	25
Do cu p	25	...
xMajstn	2½	4
xMalart	100	104
xMan U	5	6
M Su p	...	91½
xMan Bar	70	80
M L G	24½	30
M L M	13½	14
Do p	...	94
xMralge	18	18½
xMarch	7	7½
xMargld	10½	12
xMari	110	117
xMrtin	33	40
Mass-F	11½	11½
Do p	100	102
Do 5½	103	103½
xMatat	8½	9
xMaxw	480	500
xMayfr	109	125
xMaybrn	12	14
McB p	13½	15½
McC	22	24
McInt	82½	83½
xMKen	24	25
xMMar	7	7½
xMWat	36½	39
xMedal	194	200
xMenst	11½	12
xMerril	99	103
xMeta	7½	8
M LP	14½	14½
Do p	12½	13½
xMidcon	47½	48
Mid P	16	18
xMidr	52	54
xMidW	200	205
Do w	4	7
xMill C	21	22
xMilldr	79	83
xMilt B	280	290
xMinda	6	6½
Min Cp	12½	13½
xMin Or	8	9
Mitchl Co	20	...
Mitchl Rob	11½	14
Do cl B	6	7
M C A	14½	14½
Mols A	24	24½
Do B	23½	23½
Do p	39½	40
Moly	44	48
M Kn	81	81
Do p	83	90
M Mort	40	47½
xMoneta	68	70
M Loco	19	19½
Mtl Tr	43	44
Moore	40½	40½
Do A	1820	...
Do B	2820	...
Morgan Co	32½	34
Do 4½%p	90½	93½
xMt Wrt	50	57
xMultl	42	43
xNams	16	18½
Nat Dr	15	15½
Do p	14½	15
xN Exp	5	7
N Groc	30½	25
Do p	28½	28½
xN Hos A	330	450
Do B	375	375
N Lead	101½	102½
xN Pet	270	295
N St C	14½	14½
Nat Tr	49½	51
xNelson	6½	7
xNello	12	14
Neon	16½	17½
xNes L	13½	15
New		
xN Alg	51	6½
xN Ath	24½	25
xN Bid	8	8½
xN Cal	25	28
xN Conc	5	13
xN Cont	22	25
xN Dav	16½	17
xN Del	14	16
xN Dick	221	228
xN Gvue	5½	6½
xN Harri	9	9½
xN Hos	76	77
xN Jas	6½	7½
xN Kel	8½	9
xNlund	16½	17
xN Man	25	27
xN Myla	76	77
xNnor	5	5
xN Rou	8	10
xN Sen	4	5½
xN Sup	47	55
xN Taku	14½	23
Nia W	12	15
Do B	11½	11½
xNick M	54	56
xN Rim	48	53
xNipis	133	136
xNisto	5½	6
xNor-Ac	17	20
Noran	45½	45½
xNogld	3	7
xNorlar	20	21
xNrmet	325	330
xNorpax	13½	14
xNorsyn	8½	9½
xNorcal	9½	10½
North		
xN Gate	43	44
xNCO	245	...
Do w	96	100
Do p	23	25
xN Cold	103	104
xN Gldt	21½	23
xN Rk	103	104
xNthap	83	87
Do A w	36	43
N Star	21½	21½
Do A	16½	17
Do p	40½	42
Do w 57	360	375
Northern		
xN Can	115	120
No NG	15½	15½
NQ P	25	28
Do 1 p	46½	...
xNor Ph	290	310
Do w	110	125
Nthld U	15	16½
NW U p	72	72½
xNthld	17	17
xNorval	11	11½
xNudul	13	14
xN Bcage	85	99
Oak W	13	14
xObask	7	8½
xOBrien	65	68
OC Wm	12½	13½
Off Sp	16	18
xOks R	11	11½
xOkalt	49	50
xOLear	11	13
xOn S	79	...
Do p	81	...
O Loan	27½	29
O Sti	22½	23
Do p	...	125
xOpem	745	755
xOrchan	71	73
xOrena	7	7½
xOrms	29	30
Oshawa A	7½	7½
xOsisk	30	31
Pac P	11½	11½
Do w	8395	8995
Pge Her	28½	29½
xPall	22	30
xPan Oil	38	41
xPmour	60	65
xParam	6½	7
xParbec	2	2½
xPardee	16	18
xParker	305	325
Patno M	370	385
Do w	60	70
xPato	285	290
xPymat	21	22
xPce Exp	12	15
xPriess	24	25
Pbina	6½	7
Do p	...	45
Pnmns	24½	...
Do p	...	100
PCJI	25½	27
xPmo p	77	80
xPerron	20	21
xPeruv	94	98
xPetrol	101	103
xPhil	63	65
Ph Eng	12½	16½
xPck Cr	87	90
xPit-Or	6	7
xPlace	63	65
Placer	100	102
xPonder	18	19½
xPortg	69	70
Pow R	16½	17
xP Rou	34	42
Pow Cp	...	53½
xPrairie	230	...
xP Pipe	310	325
Prem T	143½	155
xP Iron	380	390
xPres El	125	130
xPrest	570	580
Price Bro	82	85
xPrntd	277	283
xPros A	59	65
Prov Bk	38	39
xProv G	242	244
Prov Trns	14	14½
Do p	43	...
xPrdex	6½	...
xQ Ascot	15½	17
xQ Chib	23	24½
xQ Cop	18	19
xQ Lab	4	5½
xQ Lith	278	295
xQ Man	11	11½
xQ Met	49	50
Qn Gas	16½	17
Que Pwr	30	35½
xQunst	13½	14½
Quem	10½	10½
xQuin	405	...
Do A	11½	12
xQnto	9	10
xRdior	51	52
xRainv	18	20
xRanger	134	136
Rap-Gri	15	15
xRayro	43	44
xRealm	30	31
xReef	4½	5
xReeve	130	160
Reichld	25	26
Reitmns	15½	16½
Do A	14½	15½
xRenab	127	140
xRexsp	21	22
Reyn p	80	81½
xRio R	7½	8½
R Sk A	3	3½
xDo B	...	400
xRix	19	21
Rbtan Jas	...	14½
Robetan	17½	17½
Do 2 p	19	20
Do A p	16	17
xRobin	380	400
xDo p	135	...
R Little	13½	14½
Do A	13½	19½
xRoche	16½	17
xRckwn	24	25
xRky p	5½	6
Roe AV	6½	7½
Do p	82	83
Rollnd Pap	30	32
Do p	70	...
xRowan	7½	8
Roy Bk	78½	79
Roy O A	10	...
xRoyalit	280	...
Do p	171	181½
Russell	9½	10
xRysnr	9½	14½
StL

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 43

Industrial Stocks

WEEK ENDING NOVEMBER 27, 1959

Range 1959 High	Range 1959 Low	Div. Y'ld R'teNov27 $	Div. Y'ld R'teNov27 %	Company	Sales	Last Nov. 20	Week end. Nov. 27 High	Week end. Nov. 27 Low	Close or Latest
1.00	.35	..	..	Abitca Lumber..	12600	.36	.35	.30	.35
.60	.33	1.70	4.3	Abitibi	9117	39½	39½	39½	39½
24	22	1.12½	5.1	Do. 4½% pref..	870	22¼	22½	22	22
13	8	.60	6.0	Acadia Atlan. ..	456	9¾	10	9¾	10
98	90	5.00	5.4	Do. 5% pref...	nil	..	B90½	A92	93
22	18¼	1.20	6.2	Do. (A)	155	19	19¼	18½	19¼
17¾	17¾	..	..	Admiral	nil	..	B20½	A20½	17¾
18½	12½	.70	3.9	Agnew Surp. ...	900	17½	17¾	17¼	17¾
4.50	2.75	..	..	Alaska Y. Pipe..	nil	..	..	A2.50	3.00
2.00	.80	..	..	Alaska Refin. ...	1000	.80	.90	↑.70	.90
13	8	..	..	Do. pref.	nil	..	..	A8	16
3.60	2.85	..	..	Albt. Dist.	2560	2.85	2.90	2.80	2.90
2.80	2.00	..	..	Do. V.T.	1360	2.25	2.35	2.25	2.35
1.85	1.05	..	..	Do. S. Pur. W.	1300	1.25	1.20	1.20	1.20
30	21¾	..	..	Albt. Gas Tr. ..	8897	26½	27	25½	27
23	18½	‡4.25	..	Algoma Cent. ..	207	18½	18½	18½	18½
72	60	3.00	5.1	Do. 6% pref...	39	61	60	59	59
10.75	5.10	..	..	Do. Warr.	201	5.10	6.75	5.50	6.50
42¼	34½	1.00	2.7	Algoma Steel	5691	36¾	37¾	36¼	37¼
9	7¼	1.25	..	Algonquin	400	8	8¼	8	8
20	19	1.30	7.2	Do. pref.	nil	..	B18½	A19	↑17¾
37¾	26½	‡4.25	..	Aluminium	18750	28½	30	28¼	29¾
23	19¾	1.00	5.1	Alum of Can. pf	414	20	19¾	↑18	19¾
45¾	41¼	2.25	5.3	Do. 2nd pref..	1000	42	42½	42	42½
12.50	5.50	..	..	Analogue	2815	8.25	8.75	8.00	8.75
7.00	2.50	..	..	Do. Warr.	nil	..	B3.25	A4.50	3.25
7	5	‡4.25	..	Andian Nat.	30	6	5	5	5
25	22½	.50	2.1	Angio Can. Oils (Rhrendon)	nil	..	B24¼	..	24¼
46	37½	2.00	4.8	Ang. Cdn. Pulp .	250	41¾	42	40½	42
53	48	2.80	5.8	Do. Pref.	55	49	50	50	50
43	40	2.25	5.6	Ang. Can. Tel. P.	137	40	40	40	40
49	46	2.90	6.1	Do. $2.80 Pref.	179	48½	48½	↑47½	47½
8½	6¼	.50	2.5	Ang. Nfld.	8940	7¾	7¾	7¾	7¾
..	..	.20	..	Angi-Scand. Invest.	nil	..	..	..	..
45	35	1.40	4.0	Anthes. Imp.	715	35½	37	35	35
100	85	5.50	5.9	Do. 5½% Pref.	nil	..	..	A86	194
42¼	31	1.00	3.2	Argus	2299	31½	31½	31	31¾
93	66	2.40	3.6	Do. A Pref. ..	nil	..	B67	A70	67
48¾	44½	2.50	5.4	Do. B Pref. ..	nil	..	B45¾	A46	46
..	..	‡1.00+$e	..	Aro Equip.	nil	..	..	..	..
28½	26	1.20+$.20	..	Asbestos	3558	27	27	26	26½
8.75	6.85	1.40	..	Ash Temple	221	7.00	7.25	7.00	7.25
196	↑90	6.00	6.7	Do. (A)	nil	..	B92	..	↑90
9¾	8¼	.65	7.2	Do. (B)	150	8½	9	9	9
10	10	.60	6.0	Ashdown Hdwe. A	nil	..	B10	A11¾	10
16½	13¾	.72	5.2	Do. (B)	280	13¾	13½	13¾	13½
..	..	‡4.00+$1.00	..	Assoc. T. & T. Pfd.	nil	..	..	..	101
11¾	5½	..	..	Atlas. Accept. ...	nil	..	B10¾	A11¾	11¾
17½	15	1.10	5.4	Do. Pref.	nil	..	B17	A18	↑20½
29¾	24	1.00	3.8	Atlas Steels	2451	25½	26¼	25½	26
34½	19¾	$1.10+$.15	..	Auto Electric	250	28	26½	26	26
10.00	6.00	$.80+..	..	Auto Fabric A	nil	..	B7.50	A8.00	8.00
4.50	3.25	..	..	Do. (B)	nil	..	B3.45	A3.80	3.50

B

63¾	51	1.60+$1.35		Bk. Can. Nat. ..	1083	52¾	52¾	52	53
63¾	50½	1.60+$1.25		Bk. Montreal	5711	54¼	54½	52¾	54
84½	65¾	2.20+$1.10		Bk. N. Scotia	1587	71½	71½	70	70
45	33	1.00+$.25		Bk. Provinciale .	674	38	38	38	38
..	..	2.30+$2.40		Barber-Ellis	nil	..	B65	..	..
..	..	3.50	..	Do. Pfd.	nil	..	..	..	..
4.85	3.00	..	..	Barcelona	50	4.00	↑3.25	↑3.25	3.25
6¾	6¾	*.50e	..	Bates & Innes A	nil	..	B5	A8	↑5¼
53	41	2.00	4.7	Bathurst Pr. A .	364	42	44	42	43
36	28	*.75	..	Do. (B)	362	26	26	26	26
13.37½	6.37½	.40+$.10		Beatty Bros.	230	8.25	8.12½	7.50	8.00
30	22	1.00+$.25		Beaver Lumber .	425	23	23¾	23	23¾
19½	14½	1.00	6.1	Do. (A)	100	17	16½	16½	16½
28	25½	1.40	5.4	Do. Pref.	12	26	26	26	26
13½	10½	$e	..	Belding Cort. ...	nil	..	B10¼	..	10½
13½	11	.70	5.8	Do. Pref.	2500	12	12	12	12
8	7	..	..	Belgium Stores .	nil	..	B7½	..	7
13	13	1.00	7.7	Do. Pref.	nil	..	B13	..	13
44¼	39¾	2.00	4.7	Bell Telephone .	65925	40¾	43	40¾	42¾
8	7½	.40	5.7	Biltmore Hats ..	nil	..	B6½	A8½	7
14½	12¾	1.00	8.3	Do. A Pref. ...	nil	..	B13	A14	↑12
55	47	2.40+$.40		Bird Constr.	nil	..	B50	A55	55
11¾	8½	‡+1.20	..	Blue Bonnets	300	9	9	9	9
2.75	2.50	..	..	Do. Warr.	nil	..	..	A1.75	↑2.00
↑19¼	↑11	..	..	Blue Ribbon	nil	..	..	..	↑19¼
61	50	2.50+$2.50		Bolt Steel Pref.	50	..	..	..	60
49¼	44	2.75	5.9	Bowater Mer. P..	651	46	47	46	47
8.25	6.00	‡13%	..	Bowater Pap.	6594	8.62½	8.75	8.37½	8.62½
47	39¾	2.50	5.7	Bowater N.A. 5%p	1660	44	44	42½	43½
50¼	45	2.75	5.7	Do. 5½% Pref.	490	48	49	47	48
39½	19½	1.00+$1.50		Bowes Ltd.	75	25	28	28	28
9¼	6¾	1.50	9.3	Boyles Ltd.	2201	5.10	6.75	5.50	6.50
6	4	..	..	Do. (B)	nil	..	B4	A5	4¾
7.62½	4.40	*.25e	..	Brazilian Tr. ..	10167	4.85	4.85	4.60	4.65
90	90	8.00	7.1	Do. Pref.	nil	..	..	A89	↑85
25	19	1.20	6.0	Bridge & Tank	305	20½	20	20	20
48	48	2.90	6.3	Do. Pref.	25	45	46	45	46
40	37	2.00	5.4	Bright (T. G.) ..	35	43	43	42	42
21	20¼	1.15	5.7	Do. 5% Pfd. ...	nil	..	B20½	A20	20½
52	42	1.60+1.80		Br. Am. Bk. Notes	92	50	↑53	49	↑53
44½	31½	1.00	3.1	Brit. Amer. Oil	29000	32	32	31½	32
78	68¼	4.00	5.7	B.C. Elec. 4% Pf.	103	70¼	71	70	↑70¼
41½	35¼	2.12½	5.8	Do. 4¼% Pref.	35	38¼	38½	38	38½
40	34¾	2.25	5.8	Do. 4½% Pref.	325	40½	41¼	40	41¼
91	81¼	4.75	5.7	Do. 4½% Pref.	352	82¼	83	82½	83
49	44	2.50	5.6	Do. 5% Pfd. ..	225	45½	46	45	45
52½	47	2.75	5.6	Do. 5½% Pfd. .	735	49	50	48½	49½
18	11½	‡.05e	..	B.C. Forest	15198	12¾	13¼	12¾	13¼
18	13	.75	5.1	B.C. Packers A ..	15	14½	14½	14¾	14¾
18	13½	1.00	6.7	Do. (B)	30	14¾	15	15	15
40¼	33¼	1.40	4.0	B.C. Power	8288	35	35½	35¾	35½
47¼	38¾	2.00	4.7	B.C. Tele.	6935	41¾	42½	40	42½
3.25	.90	..	..	Algoma Cent. ..	207	..	B1.10	A1.15	1.10
18	17	1.04	6.1	Brooke Bond Pf.	nil	..	B17	A18½	17
14½	9¼	‡.30+$e	..	Brown Co.	1279	9½	10¼	9¾	10
13½	8¼	1.30	..	Bruck S. Mills A	300	10½	10½	10½	10½
8.00	2.20	..	..	Do. (B)	nil	..	B2.50	A3.95	2.60
38	28¾	1.80	5.8	Build. Prod.	428	31	31	30¾	31
7	5½	.50	8.9	Bulloch's A	100	6¼	6¼	6¼	6¼
5	5	.35	6.7	Do. Pref.	225	5	5¼	5¼	5¼
24	18¾	.60+$.20		Burlington St'l.	783	17½	17¾	17¼	17¾
14¾	11¼	.60+$.20		Burns & Co.	3557	13¼	14	13¾	13¾
8	6	.45	7.3	Burrard D. D. A	150	6¾	6¾	6¼	6¼
9½	9	..	..	Burrard Mtg. ..	200	9½	9½	9	9
2.75	1.75	..	..	Butterfly Hose .	20	2.10	2.00	2.00	2.00

C

125	↑31	1.50	6.0	Caldwell Lin. istpf.	nil	..	..	..	↑25
101	78½	2.00	2.2	Calgary Pwr. ..	2858	92¼	93	90	90½
105	89½	5.00	5.1	Do. 5% Pref. ..	50	105	108	105	105
Canada									
4.50	3.70	.10	2.7	Canada Bread ..	300	4.00	3.75	3.70	3.70
58	55	2.50	4.4	Do. Pref. B ..	32	58	57½	57	57
37	26¾	1.00	3.0	Canada Cement .	8603	32½	33¾	32¼	33¼
28½	25	1.30	5.0	Do. Pref.	594	25½	25¾	25	25¾
23¼	12¾	1.20	..	Can. Cr. & C. Stone	705	13	13¾	13	13
27½	17¼	1.75	..	C. & D. Sugar ..	11802	18	17¾	17¼	17½
14¼	13¼	1.00	6.7	Can. Floor B ..	nil	..	..	..	15
24½	20	1.40	5.4	Can. Malt.	2451	25	25¼	25	25
25	21	.60+$.50	..	Do. (A)	nil	..	21¼	22	21¾
12	12	*.37½	..	Can. Forg.	nil	..	..	..	12
30	25¼	1.50	5.9	Do. (A)	nil	..	..	..	25¼
37¾	31¾	1.50	4.9	Can. Iron	11190	22	23¾	21¾	23¾
101	80	4.25	5.3	Do. 4¼% Pref.	30	82	82	80½	80½
208	185	4.00	2.1	Can. Life	nil	..	B200	..	218
15	13	1.50	..	Can. Machine ..	150	↑10	15	15	15
76½	54	2.00	2.6	Can. Malting	195	55½	55½	55	55
26	24½	1.17	4.8	Do. 4½% Pfd.	185	24½	24½	24½	24½
57	46	1.75	3.6	Can. Packers A .	350	49½	49½	48¾	49¾
55	44½	1.75	3.7	Do. (B)	390	47½	47½	47¼	47½
70	53½	2.00	3.6	Can. Perm. Mtg.	470	56½	56	55½	55½
81	58	4.40	3.1	Can. Safeway Pf.	nil	..	B80	A84½	80
49¼	20½	1.40	3.3	Can. Steamships .	116	43	43½	42	42
13	11	.62½	5.6	Do. Pref.	229	11¼	11¼	11	11¼
38½	28	1.10+.20	..	Can. Vinegars ..	25	33	33	33	33
8	8	..	..	Can. West Cord A	nil	..	..	..	8
..	..	..	..	Do. (B)	nil	..	..	..	..
115	100	6.13	..	Can. W. Cable A	nil	..	..	..	100
15½	9¼	.60	6.2	Do. (B)	140	10	9¼	9¼	9¼
Canadian									
155	155	14.00	..	Canadian. Arena .	nil	..	B160	..	155
31	13½	..	..	Cdn. Aviation ..	300	18½	18	17½	17½
8½	6	.25	..	Cdn. Bakeries ..	100	6	6¼	6¼	6¼
68¾	53	1.60+1.20		Cdn. Bk. Com. .	6190	57¼	57¾	56½	56½
43¾	33½	1.80	4.2	Cdn. Breweries .	5628	35	36	35¼	35¾
42½	32½	1.25	3.3	Do. Pfd.	205	35¼	36	36	36
17¾	11	..	..	Cdn. Br. Al. A .	635	..	13¼	13¾	13
20.00	4.10	..	..	Do. Warr. A ..	1410	5.50	5.85	5.30	5.50
8.70	3.45	..	..	Do. Warr. B ..	600	5.50	5.60	5.40	5.60
26	20	1.30	6.8	Cdn. Bronze	145	22½	23	21	22¼
90	90	8.00	5.9	Do. Pref.	nil	..	..	A91	181
16¾	13	.75	5.7	Cdn. Canners A .	445	13¾	13¾	13¼	13¼
24¾	18	1.85+$.15		Cdn. Celanese ..	2858	22	22½	20½	21
33	27	1.75	6.5	Do. $1.75 Pref.	77	28½	29	27	27
20	19	1.10	5.6	Do. $1.00 Pref.	500	16	15½	15½	15½
9¾	6½	..	..	Cdn. Chem. Ltd.	3230	6¾	7	6¾	6¾
9.50	4.55	..	..	Cdn. Collieries .	8475	8.12½	8.00	7.62½	7.87½
.85	.63	.08	7.1	Do. Pref.	4550	.65	.73	.70	.70
4.50	3.00	..	..	Cdn. Convert A .	nil	..	B3.25	A4.50	3.50
↑4¼	↑4	..	..	Do. (B)	nil	..	B4.50	..	↑4½
27	9½	..	..	Cdn. Cottons ..	50	22½	23	23	23
4.10	2.00	..	..	Cdn. Curtiss W.	36810	2.30	2.95	2.15	2.60
13½	12	1.85	..	Cdn. Drawn Stl.	100	13	13	13	13
12	10¾	.60+$.10		Do. Pref.	125	11	11¾	11¼	11½
22	16¾	1.00	.50	Cdn. Dredge	135	16¾	17	16½	16¾
26	25	2.00+$.10		Cdn. Fairb.	585	31	31	30½	31
125	105	6.00	4.8	Do. Pref.	30	125	125	125	125
8.00	2.50	..	..	Cdn. Food Prod. .	349	3.00	3.75	3.00	3.50
9¼	5¾	..	..	Do. (A)	338	7	16½	5¾	8¾
63	41½	..	..	Do. 4½% Pref.	330	42	48	45	48
1150	1150	8.00+$4.00		Cdn. Gen. Elec. .	nil	..	B780	A1180	1150
33½	32¾	1.20+$.15		Cdn. G. Inv.	915	33	33½	33	33
15¾	15¾	.80+$e		Cdn. G. Sec. A ..	30	16	↑15¾	↑15	15¾
19¼	17	1.50+$e		Do. (B)	nil	..	B17	A18½	↑16¼
12½	7¾	..	..	Cdn. Hydrocarb .	4359	10	10½	9¾	10
18	17	.10	..	Cdn. Ice Mach. .	nil	..	B8	..	17
12¾	10	.80	7.3	Do. (A)	nil	..	B11½	A11¾	11
20¼	15	.15	..	Cdn. Indust.	5542	15½	15½	15½	15¾
80	73½	3.75	5.2	Do. Pref.	2	↑73	↑72	↑72	↑72
43¼	25	1.50	..	Cdn. Ingersoll R.	544	38	38	37¾	38
21	19	1.05	..	Cdn. Int. I. Tr. .	50	↑19½	19¾	19	19¾
8	8	1.00	6.3	Do. Pref.	nil	..	B7¾	..	8
24	14½	..	..	Cdn. Int. Pwr. ..	1155	15	15	14¾	14¾
47¼	43½	3.00	6.7	Do. Pref.	286	44¾	45	44¼	44½
2.50	.75	..	..	Cdn. Kodiak	1600	1.00	1.00	.75	.75
14½	9	..	..	Cdn. Locomo.	155	↑8¾	↑8¾	↑8¾	↑8¾
9.50	8.00	..	..	Cdn. Marconi	400	8.87½	8.00	8.62½	8.75
30½	23¼	.80	3.4	Cdn. Oil	4296	23¾	23¾	23¼	23¼
83	81	4.00	4.9	Do. 4% Pref. ..	nil	..	..	A81¾	81
105	94	5.00	5.3	Do. 5% Pref. ..	nil	..	B86	A93¾	94
143	140	8.00	5.6	Do. 8% Pref. ..	nil	..	..	A143	144
31¼	23¾	1.50	6.3	Cdn. Pacific	13803	24½	24¾	23¼	23¾
23½	11¾	..	..	Cdn. Petrofina Pf.	1183	12¾	12¾	12¾	12¾
8	6½	1.20	..	Cdn. Pr. & Pa. Sec.	437	6¾	6¾	6½	6¾
2.00	1.40	..	..	Cdn. Propane	100	2.50	2.45	2.45	2.45
43	30	..	..	Cdn. Salt	nil	..	B36	A40½	41
2.10	1.00	..	..	Cdn. Silk A	25	1.90	1.90	1.90	1.90
200	126	1.60+$.10		Cdn. Tire	140	175	190	180	188
..	..	1.60	4.8	Do. Pref.	nil	..	..	..	21
94½	82½	3.00	3.5	Cdn. Utilities Pf.	35	196	94	↑91½	↑91½
79	74	4.25	5.9	Do. 4¼ Pf.	nil	..	B73	..	↑71¾
24	14	4.70	..	Cdn. Vickers	300	14	14¾	14	14½
30	23	$1.25	..	Cdn. Wallpaper A	50	29¾	29	29	29
32	22	$1.25	..	Do. (B)	nil	..	B29½	A31¼	29¾
19	14¾	.80	5.8	Cdn. West. Gas 4% p.	785	14¾	15	14¾	14¾
20¾	19	1.10	5.6	Do. 5½% Pfd. .	125	19¼	20	19½	19¼
33	32½	2.00	2.5	Cdn. Westinghouse	nil	..	B40	A40	40
1.40	1.25	..	..	Canamone	nil	..	B1.00	A1.40	1.25
3.75	3.00	..	..	Do. Pref.	nil	..	B2.00	A2.75	2.50
.80	.50	..	..	Do. Warr.	nil	..	..	..	.50
18¾	16	‡+.38+$.10		Capital Estates .	100	11	11¼	11¼	11¼

Range 1959 High	Range 1959 Low	Div. Y'ld R'teNov27 $	Div. Y'ld R'teNov27 %	Company	Sales	Last Nov. 20	Week end. Nov. 27 High	Week end. Nov. 27 Low	Close or Latest
1.75	1.00	..	..	Carling Br. Alta.	nil	..	B1.05	A1.20	1.00
1.80	1.45	..	..	Do. V.T.	nil	..	..	A1.60	1.50
14	13	.60+$.85		J. B. Carter A ..	50	13½	13	13	13
38½	38	‡2.00		Do. (B)	25	↑45	↑45	↑45	↑45
44	29	.50+$.62		Catelli Food A ..	nil	..	B39¾	A41	↑39
71	57	1.80	2.6	Chart Trust	nil	..	B62½	A63	62½
28½	19½	1.00	4.6	Chateau-Gai	275	24	23	19¾	22¾
68	49¾	‡1.00	..	Chrysler Corp. ..	nil	..	..	..	50¾
..	..	$9d	..	Cinzano A	nil	..	..	..	↑1.10
..	..	5¼%	..	Do. 5½% Pref.	nil	..	..	..	..
2.00	1.25	..	..	Circle Bar Knit .	nil	..	B2.50	..	2.00
5.00	2.50	..	..	Do. (A)	200	4.00	5.00	5.00	5.00
25	20	*a	..	Cochrane-Dun	100	20	20½	20	20
14½	14½	.80	5.5	Do. (A)	nil	..	B14½	A16	↑13½
20¾	13½	..	..	Cockshutt Farms	42945	17	20¾	17½	20¼
15¼	..	3¾	*1.00e	B. J. Coghlin	nil	..	B6¾	A8	6½
↑15	↑15	1.75+$.25		Coll. Terminal .	nil	..	B16	..	↑15
16	16	1.75+$.25		Do. Pref.	nil	..	B15	..	16
5.25	2.50	..	..	Columbia Cell. ..	2340	4.00	4.30	3.90	4.00
11	10	.60	5.5	Comb. Enter	555	11	11	10½	11
14	10½	1.70	..	Conduits Nat. ..	300	12¾	12½	12¼	12¾
150	130	2.00	1.4	Conf. Life.	nil	..	B138	A155	142
165	157	..	..	Do. Offered	nil	..	B167¾	..	161¾
10¼	8	.50	5.7	Cons. Bakeries .	225	9¾	9¾	8¾	8¾
1.10	.95	..	..	Cons. Div. Sec. A	55	↑.70	↑.70	↑.70	↑.70
32	31½	2.00	6.7	Do. Pref.	22	32	↑30	↑30	30
5.50	2.80	1.25	..	Cons. Fire Ins. ..	nil	..	B5.00	A7.00	5.50
22¾	17½	.80+$.20		Cons. Min&Smelt	14333	19¼	20	18¾	19½
45	36	1.80+$.40		Cons. Paper	8286	39¾	41½	39¾	40¾
4.10	2.25	..	..	Cons. Textiles ..	nil	..	B2.25	A3.00	2.60
..	..	1.00	6.9	Do. Pref.	nil	..	..	..	↑14½
47½	34	1.00	2.6	Consumers Gas .	10000	38½	39½	37½	37¾
106	100	5.50	5.4	Do. A 5½% Pf.	120	102	102	101	101½
105¼	99	5.50	5.4	Do. B 5½% Pf.	25	102	102½	102	102
.88	.82	..	..	Do. Rts.	38215	..	.88	.82	.88
35¾	26	1.50	8.5	Consumers Glass	145	27	27½	27	27½
..	..	‡1.80	..	Cont. Can.	nil	..	B43½	A43¾	57¾
8	6¾	.40+$.10		Copp Clark	nil	..	7¼	7¼	7¼
21½	17¾	1.10	5.9	Corbys Vot.	2050	18¾	18¾	18	18¾
20¾	16½	1.10	6.1	Do. B N. Vot. ..	233	17½	18	16½	18
8	7	$.27	..	Coronation Mtge.	225	8	8½	8¼	8¼
14	11	.70+$.10		Cosmos Imp.	710	11¾	12	11¾	12
2.70	2.00	.16	7.6	Craig Bit	nil	..	B2.00	A2.30	2.10
23½	13¾	1.28¾+$e		Crain, R. L.	1735	20¾	20¾	20½	20¼
4½	3¾	..	..	Credit Accept. ..	nil	..	B3.40	..	↑3.25
90	81¾	$2.25	..	Credit Foncier ..	nil	..	B88½	A91	87
1.85	1.40	..	..	Crestbrook Tim. .	3000	1.50	1.50	1.40	1.50
32	19¾	..	..	Do. Pref.	35	↑22¼	21¼	21¼	21¼
.35	.23	..	..	Do. Warr.	100	.23	.25	.23	.23
62½	54½	2.00	3.6	Crown Cork	10	58	58	55	55
34	25¾	.80	3.3	Crown Trust	92	↑34½	↑34½	↑34½	↑34½
58	48¾	‡1.80	..	Crown Zeller	125	50¾	51	50½	51
24½	18½	1.00	5.1	Cr. Zell (Can.) A	1530	19¾	20	19	19½
24	15	.80	3.6	Crow's N. Coal .	366	15½	16½	15	16½
8¾	7	..	..	Crush Int.	3672	7¾	8¾	7½	8¾

D

85	85	7.00	8

Mining Stocks

WEEK ENDED NOVEMBER 27, 1959

Range 1959 High	Low	Company & Dividend ($)	Sales	Last Nov. 20	Week Ending Nov. 27 High	Low	Close or latest
.43	.22	Abacus	71410	.27½	.34	.32	.33
.15½	.08½	Acadia Uz. ..	25875	.09	.09	.08	.08
.10	.04	Ad Astra ...	5000	.06½	.06	.06	.06
3.00	2.40	Advocate ...	6080	2.90	2.95	2.85	2.85
.42	.13	Agassiz	nil	...	B.14	.....	.17
.75	.50	Agnico	33803	.54	.62	.53	.62
.53	.36	Akaitcho	8000	.44	.48	.45	.47
.15	.08	Albe	nil	...	B.06	A.07	.06
17.00	10.00	Algom ★★2.50	18218	11.00	11.00	10.00	10.62½
.40	.09	Alscope	18100	.19	.10	.09	.09½
.45	.21	Amal. Lead ..	500	.21	.21	.21	.21
.18	.08	Amal. R.M. ..	46432	.08½	.10	.07½	.07½
.06	.04	Amer'm	15600	†.02	.04	.04	.04
.91	.57	Am. Neph. .04	nil	...	B.61	A.65	.62
.10	.06	Amer. Stand.	22500	.09	.10	.07	.10
1.18	.32	Anacon	14333	.39	.62	.32	.37
14.00	10.62½	Anglo-Hur. .50	1113	11.75	11.75	11.50	11.75
.45	.18½	Anglo-Rou. ..	16100	.23	.27	.22	.27
.52	.13	Anzil	23000	.14	.14	.13½	.15
.15	.05½	Anthonian ..	2030	.07	.07	.07	.07
.10	.02	Arcadia warr.	22200	.03½	.04½	.03½	.04
1.50	.75	Area	30200	.83	1.10	.83	.94
.19	.06	Arjon	nil	...	B.08	A.09½	.08
.09½	.04	Arno	75800	.09	.09	.08	.08½
.58	.45	Asco, Ar'dia	84300	.55	.55	.49	.50
2.70	2.00	At. Coast Cop.	600	2.20	2.15	2.05	2.05
.15	.04	Atlas Sulp. ..	7166	.06	.07	.06	.06½
.13	.06	Atlas Y'fe ..	2000	.06½	.06½	.06	.06½
.23	.10	Atlin-Ruff. .	16800	.12	.12	.10	.10½
.08	.02	Aubelle	13500	.02½	.02	.02	.02
.85	.25	Augustus	10126	.26	.28	1.22	.26
.21	.09	Auli	4000	.05½	.06½	.05½	.05½
.31½	.08½	Aumacho	10100	.09½	.09½	.08½	.09
.16	.05	Aumaque	10000	.06½	.07	.06	.06½
3.15	2.50	Aunor .16 ...	650	2.75	2.75	2.73	2.73
.08	.02	Avillabona ..	37600	.02½	.02	.02	.02

B

.20	.15	Baker Talc .	3100	.18	.17	.15	.15
.08	.04	Band Ore ...	1500	.05	.04	.04	.04
.26	.16	Bankeno	6029	.19	.20	.19	.19
.10	.08	Bankfield	nil	...	B.08	A.09	.09
1.94	1.24	Barnat	14050	1.36	1.38	1.33	1.35
.11	.04½	Barvallee	nil	...	B.05	A.07	.04½
.72	.54	Barymin 1.03	7000	.54	.60	.57	.57
.26	.10	Base Metals .	123700	.11	.19	.11	.19
.20	.10	Basic Res	16500	.11	.11	.11	.11
2.30	.20	Bateman	46300	.37	.37	.30	.35
.10	.04	Beatrice	3000	.05	.05	.04	.04
.26	.18	B'tie-Dug. ..	57524	.18	.20	.17	.19
.53	.43	Beauce Placer	nil	...	.....	A.45	.43
.23½	.10	Beaver L'ge .	16200	.12	.13	.10	.12
1.32	.70	Belcher	10150	.73	.74	.70	.70
.54	.41	Bellechasse ..	25000	.50	.51	.50	.50
.13	.03½	Belle-Chib. ..	5000	.07	.06½	.05½	.06
2.40	1.53	Belleterre ★.05	950	2.30	2.40	2.31	2.37
2.05	.75	Bethle'm	12200	.82	.83	.75	.75
.16	.07	Bevcon	5000	.16	.15	.13½	.14
.27½	.07	Bibis-Yuk. ..	30800	.08	.08½	.08	.08
1.08	.51	Bicroft	34453	.54	.64	.53	.63
.30	.08	Bidgood	49100	13½	.14½	12½	.12½
.30	.08	Black Bay	8500	.09	.11½	.10	.11½
.08½	.02	Bonville	32500	.02	.02½	.02	.02½
.10	.05	Bordulac	5000	.06	.06½	.06	.06
.15	.08	Bernite	13000	.06	.06	.05	.06
.79	.45	Bouzan	52700	.55	.56	.50	.54
13½	.07	Boymar	9166	.07	.07½	.07	.07
8.55	3.20	Bralorne-P. .40	6865	3.65	3.70	3.20	3.20
.50	.43	Brouilan	10800	.43	.48	.44	.44
.08½	.03	Brunhurst	17000	.02½	.02½	.02	.02
.09	.02	Brunsman	37500	.02½	.02	.02	.02
2.70	2.25	Brunswick ..	700	2.30	2.30	2.25	2.25
.39	.08	Buffadison ..	52800	.09	.10	.08	.08
2.55	1.30	Buffalo Ank.	916	1.85	1.60	1.50	1.50
.09	.05½	Buff. R.L. ..	20000	.07	.07½	.06	.07½
4.50	3.45	Bulolo	1205	4.00	4.00	3.90	3.90
.11	.08½	Bunker Hill .	2000	.07¼	.07	.07	.07
.42	.10	Burnt Hill ..	2500	.13	.16	.13	.13½
.40	.10	Burrex	nil	...	B.10	A.30	.10

C

.36½	.10	Cable	7485	.12	.11	.10	.11
.46	.11	Cadamet	6000	.11	.12	.11	.12
.07½	.03	Calumet	3300	†.02½	.02	†.02	.03
10.50	5.70	Camp. Chib..	15143	6.30	6.25	5.75	5.85
		Camp. R.L.					
12.50	10.00	.33+1.85 ..	100	12.50	12.37½	12.37½	12.37½
.13	.06	Cdn. Ast. ..	37326	10½	.10	.09	.09
.75	.30	Cdn. Dyno ..	51279	.35	.40	.30	.38
.34	.30	Cdn. Mal. ..	35360	.44	.49	.44	.44
.40	.15	Cdn. N Inca	73808	.20	.23	.20	.23
1.12	.32½	Cdn. N'west.	2431	.37	.37	.37	.37
.09	.05	Cdn. Thor ..	2500	.05	.05	.05	.05
.10	.03½	Canalask	5067	.07	.07	†.03	.06
.30	.10½	Canam	10000	.11	.11	10½	.11
.20	.10½	Candore	13749	11½	.13	.11	.12
2.46	.38	Can-Erin	368018	1.34	1.36	.98	.98
1.07	.15	Can-Met	67033	.20½	.31	.15	.18
.55	.02½	Do. warr. ..	6200	.05	.04½	.03½	.04
.50	.13	Canorama	28668	.45	.47	.44	.45
.14	.04	Canuba	14860	.04½	.05	†.03	.04
.07	.04½	Canuas	nil	...	B.04½	A.05	†.04
.58	.08	Caplain	5500	.06½	.07½	.07	.07
.30	.07	Carbec	2500	.08	.08	.08	.08
2.77	.78	Cariboo	18070	1.11	1.15	1.05	1.15
.65	.16	Cartier Q. ..	18670	.20	.19	†.12	.17
		Cassiar Asb.					
12.37½	9.40	.40+5.10 ..	5525	12.25	12.25	11.50	11.50
5.90	4.75	Castle-Tre. .15	1405	5.75	5.75	5.70	5.75
2.10	.50	Cayzor	4200	.50	.65	.40	.65
.10	.03	Cen. Man. ...	1000	.04½	.04½	.04½	.04½
2.30	1.65	Cen. Pat. ...	4300	1.10	1.12	1.10	1.15
.25	.08	Cen. Porc. ..	37400	.12	.14	.12	.13½
.08½	.03	Cheskirk	32500	.04½	.04	.03	.03
.21	.10	Chess	7610	†.09	.12	.10	.10
.53	.18	Chesterville ..	74800	.28	.29	.35	.37
.28	.15	Chib. Cop. ..	16500	.24	.24	.22	.22
.93	.43	Chib. Jac. ..	13327	.48	.50	.47	.50
.27½	.13	Chib. K'rand.	8700	.15	.16	.13	.13
1.65	.62	Chib. Min. ..	6830	.71	.70	.62	.64
.89	.43	Chimo	9000	.51	.51	.43	.43
.12	.06	Chipman	500	.06	.05½	.05½	.05½
3.15	2.30	Chromium ..	400	2.55	2.68	2.60	2.68
.23	.08	Cleveland	8260	.09	.09	.08	.08½
.....	.....	Clix	nil	...	.....	.....	.12
4.10	2.80	Cochen'r 1.13	4605	3.10	3.05	2.95	2.95
.21	.08	Cody-Reco ..	5000	.10	.11	.09	.09
.19	.12½	Coin Lake ...	6000	.14	.13½	.13	.13½
1.35	†.18	Coleman A ..	nil	...	B.35	A.39	†.33
.40	.25	Do. B	nil	...	B.35	A.39	†.35
.08	.02	Colomac	16500	.02	.02	.02	.02
.50	.25	Comb. Met. ..	9299	.28	.27	.26	.26
.41	.09	Commercial .	8000	.12	.10	.09	.09½
.18	.08	Cominga	2500	.08	.08	.08	.08
.75	.43	Coniagas	4200	.46	.47	.44	.47
.44	.27	Coniaurum	6800	.40	.40	.38	.40
.35	.19½	Conkey	2500	19½	.21	.20½	.21
.15	.06	Cons. B'keno	8500	.08½	.06½	.06	.06
.30	.07½	C. Beta	2000	.10	.08½	.08½	.08½
.21	.06	C. Bi-Ore ...	nil	...	B.07	A.09	.07
.19	.07	C. Callinan ..	14500	.08	.08½	.07	.08½
.08	.03	C. C. Cad. ..	1000	.05	.05	.05	.05
		C. Denison					
36.12½	9.90	Ind.00	38372	10.62½	10.75	9.90	10.25
4.30	.41	Do. warr. ..	39997	.62	.62	.41	.44
4.15	2.55	C. Disc'y 1.34	8900	3.70	3.90	3.60	3.90
.63	.23½	C. Fenimore .	6517	.26	.26	.23½	.25
.10½	.06½	C. Gillies ..	1100	.06½	.06½	†.05½	†.05½
.37	.19	C. Gold. Arr.	3000	.30	.31	.29	.29
.....	.....	C. Goldfield .	nil	...	.....	.....	.09½
1.08	.81	C. Hall'well .	63687	.88	.80	.85	.85
4.50	2.50	C. Howey ..	940	3.00	3.00	2.85	2.85
.64	.24	C. Marbenor ..	23180	.24½	.31	.25	.29
1.15	.46	C. Marcus ...	3700	.63	.63	.61	.61
2.55	1.13	C. Mogul ...	32146	1.30	1.30	1.13	1.13
.11	.07½	C. Monpas ..	1000	.08½	.08½	.08	.08
.44	.18	C. Morrison ..	18500	.29	.30	.26	.29
1.20	.63	C. Mosher ...	10400	.88	.96	.89	.95
.38	.13	C. Negus	39133	.16	.16	.13	.14
.08	.04	C. Nich.	6000	.05	.05	.05	.05
1.34	.34½	C. Northland.	14497	.32	.33	.31	.31
.20	.09	C. Pershcourt	nil	...	B.09½	A.12	.10
.48	.20	C. Que G. ..	nil	...	B.25	A.44	.30
.10½	.04½	C. Que. Y. ..	3500	.04½	.05	.05	.05
.13½	.05	C. Red Pop. .	4371	.06½	.07	.06½	.06½
.25	.06	C. Regcourt .	10000	.08½	.08	.07	.07½
.14	.06	C. San'rm ..	3500	.05½	.05½	.05½	.05½
		C. Smelt.					
22.62½	17.50	.80+1.20 ..	14333	19.25	20.00	18.75	19.62½
1.10	.40	C. Sud'vy ..	38505	.45	.44	.40	.43
.67	.40	Cont. Potash.	900	.50	.45	.40	.40
5.30	3.50	Conwest	3010	4.05	4.05	3.85	3.85
.74	.21	Copper Corp.	12700	.27	.28	.25	.25
.18½	.08	Copper Man..	12250	.10	.11	.09½	.10
2.50	1.60	Cop-Rand ...	14032	1.79	1.77	1.65	1.71
.58	.30	Coulee	10700	.32	.36	.30	.31
.13	.07½	Cournor	8400	.09	.09	.09	.09
1.30	.38	Cowichan	7400	.60	.61	.59	.59
6.15	2.65	Craigmont	3000	3.75	3.75	3.55	3.70
.13	.08	Crestaurum ..	nil	...	B.09	A.10½	.09
.13	.06½	Crohnor	2000	.07	.06½	.06½	.06½
.19	.09	Crowpat	6250	.10	.09½	.09	.09½
.18	.06	Cusco	10000	.06	.07	.06	.06

D, E, F

.40	.13	Daering	5373	.17	.16	.16	.16
.74	.32	D'Aragon	25300	.32	.33	.31½	.32
.34	.10½	Decourcey B.	9065	.14	.13	.10½	.12
.25	.15	Deer Horn ..	28800	.19½	.20	.18½	.19
.19½	.09½	D'Eldona	23233	.15	.15	.13½	.13½
.74	.43	Deinite	2500	.45	.45	.43	.45
.12	.02	Dickstone C. .	nil	...	B.09	A.10	.09
.17	.06	Dolsan	nil	...	B.07	A.09½	.07
21.12½	18.75	Dome .70	1700	19.25	19.37½	18.62½	18.62½
.15	.07	Donalda	5000	.08	.08	.07	.08½
.46	.11	Duvan	40300	.13	.13	.11	.12½
.18	.09	Duvex	30200	.06	.06	.05	.05
.16	.07	East Amph. .	12500	.07	.07½	.07	.07
2.15	1.26	East Mal. ...	9700	1.35	1.32	1.26	1.28
2.75	1.41	East Sull. ...	13963	1.60	1.60	1.41	1.49
2.13	.80	Elder M.	95200	1.32	1.35	1.26	1.32
.50	.20	Eldrich	7200	.20	.23	.20	.21
.14	.04½	El Sol	12300	.07	.07	.06½	.07
.42	.15	Eureka	7200	.18	.17½	.15	.17
.13½	.06	Explor. Alt. .	72300	.06½	.08	.06	.06½
.23	.09	Fab. Met. ...	1000	.10	.10	.10	.10
		Falconbridge					
32.00	24.37½	1.20+2.20 .	8283	28.75	29.25	28.50	29.00
.09½	.04	Fano	17500	.05	.05	.04	.04
3.12	.58	Faraday	8770	.81	.83	.58	.60
.35	.00½	Do. warr. .	8370	.09½	.01½	.00½	.00½
.19½	.09	Farw't M. ...	7800	.10	.10½	.09	.10
2.12	.34	Fatimo	82350	.61	.63	.57	.64
.01	.00½	Fiin Flon	nil	...	B.00½	A.01	.00½
.07½	.02	Fontana '48 .	1800	.08	.04	.03	.04
.50	.38	Forty-Four .	1800	.50	.45	.45	.45
.05	.04	Do. rts	nil	...	.....	.....	.04
.11½	.05	Francoeur ..	4350	.09½	.05	.05	.05
.09½	.04	Friday	nil	...	B.04	A.05	.04
2.75	1.81	Frobisher	18300	1.85	1.91	1.85	1.85
80.00	73.00	Do. 4% deb.	90	81.00	81.00	80.00	81.00
.29	.06	Fundy Bay .	14000	.07	.07	.06	.06½

G, H

.07½	.06½	Gaitwin	2700	.09½	.08½	.06½	.06½
24.50	22.50	Gaspe Cop. .	425	24.00	24.00	22.50	22.50
14.50	13.37½	Geco	1252	16.75	16.75	16.12½	16.12½
.20	.10	Genex	8500	.10½	.10	.10	.10
1.35	.80	Geo-Scient. ..	nil	...	B.75	A.85	.80
.33	.08	Giant Mas. ...	15000	.19	.20	.14	.14
10.00	6.25	Giant Y'k ★0	7280	9.90	10.00	9.75	9.85
.50	.30	Glacier	22750	.33	.33½	.30	.32
.14	.07	Glenn Ur.	3600	.07	.07½	.07	.07
.36	.16	Goldale	3500	.17	.17	.16	.17
.08	.03½	Gold Lake ..	3500	.03½	.01½	.01	.01½
.52	.40	Gold Age ..	2000	.45	.45	.41	.43
.44½	.23½	Goldfields ..	13800	.34	.34	.23½	.23
.38	.20	Goldray	13132	.34½	.32½	.30	.31
9.70	8.60	Granby	nil	...	B8.00	A8.75	8.60
.38	.14	Grandrey	7500	.16	.16	.14½	.16
1.35	1.00	Grandue	3500	1.15	1.30	1.19	1.19
.25	.13	Grandview ..	nil	...	B.14	A.20	†.14
.31	.21	Great Falls ..	nil	...	B.00½	.....	.01
.20	.03	Greyhawk ..	18487	.03½	.03½	.03	.03½
.21	.05½	Gui-Por Ur .	8500	.07	.06	.07½	.07½
.15	.05	Gulch	514	.06½	.06	.06	.06
.11	.06	Gulf Lead	3000	.08	.06	.06	.06
12.00	9.40	Gunnar G. ..	23186	10.12½	10.25	9.40	9.65
7.50	1.10	Do. warr. ..	36478	1.48	1.45	1.10	1.10
.10½	.04	Gwillim L. ..	2500	.07	.07	.06	.06
.10	.03	Haitian	8000	.05	.05	.05	.05
3.70	2.60	Halinor 10 ...	nil	...	B2.30	A2.50	2.30
.14	.10	Hard Rock ...	14180	.10	.10½	.10	.10
.25	.09	Harr. Min. ...	5500	.09½	.10	.09	.09
.25	.15	Hasaga	4000	.17	.18	.15	.15
.23½	.08½	H'd of Lakes	223900	.18	.18	.16	.19
.58	.32	Headway	14900	.39	.39	.33	.38
.11	.05	Heath	8000	.05	.05	.05	.05
.09	.02	Heva	18100	.02½	.03½	.02	.02
1.95	1.40	High.-Bell 1.05	3210	1.45	1.53	1.44	1.50
		Hollinger					
35.50	26.50	.34+1.36 ..	5370	28.00	28.50	26.50	26.62½
3.25	3.05	Hoyle	850	3.85	3.95	3.95	3.95
64.00	47.50	Hud. Bay 3.00	3900	50.75	50.50	49.50	49.00
.20	.08	Hugh-Pam ..	13000	.13½	.11	.08	.10

I, J, K, L

.16	.02	Indian L. ..	32100	.03	.03½	.02½	.02½
.70	.32	Inspiration ..	2200	.37	.36	.36	.36
.26	.09	Int. Ceramic.	500	.11	.11	.11	.11
		Int. Nickel					
101.00	83.00	★2.00+$4.40	18870	86.25	90.50	86.25	86.75
.41½	.09	Int. Molybd'm	17800	.10	.10	.09	.09
4.35	1.85	Irish Cop. ...	29040	1.75	1.75	1.55	1.64
3.25	1.60	Iron Bay	4600	2.01	2.05	2.04	2.05
.82	.30	Iso Mines	23350	.33	.35	.33	.33
.20	.10	Jack Waite ..	11200	.13	.13	.12½	.13
2.15	1.07	Jacobus	20050	1.35	1.35	1.22	1.30
.64	.20	Jaye	10350	.30½	.32	.30	.30
.21	.07	Jellicoe	18600	.09	.10	.08	.08½
.34	.10	Joburke	16500	.10½	.11	.10	.10
.45	.21	Joliet Que. ...	7100	.24	.24	.21	.22
.28½	.12	Jonsmith	1000	.13	.12	.12	.12
.72	.37	K. J. Jowsey	3269	.37	.38	.38	.38
.14	.04½	Kenville	4000	.04½	.06	.05	.05
21.50	18.25	K.-Addis'n .80	13245	20.37½	21.00	20.62½	21.00
4.10	2.35	Kilembe	3750	2.70	2.70	2.65	2.70
2.17	.61	Do. warr. C	772	.98	.90	.80	.83
.88	.32	Kirk. Min. ...	4288	.38	.38	.37	.37
.15½	.09	Kirk. Town ..	4000	.09	.09	.09	.09
.10	.05½	Kontiki Lead .	nil	...	B.05	A.07½	.05½
1.53	.61	Kroy Oils	21100	.75	.75	.70	.70
.45	.24	Labrador 1.25	1900	26.00	27.75	24.62½	25.75
.47	.09	Lake Cinch ..	1500	.70	.74	.69	.74
.68	.30	L. Dufault ..	2500	.37	.37	.30	.35
.11½	.06	L. Lingman ..	11200	.06	.08	.06	.08
.34	.20	L. Osu	8000	.20	.22	†.20	.20
5.80	4.25	L. Shore	405	4.40	4.25	14.00	14.00
.38	.26	L. Wasa	1150	.31	.30	.30	.30
6.00	3.50	La Luz	950	4.10	4.50	4.10	4.10
3.75	2.61	Lamaque .20 .	100	2.70	2.80	2.80	2.80
.35	.23	Latin Am. ...	nil	...	B.25	A.30	†.23
1.61	1.10	Leitch G. .06	18525	1.15	1.35	1.15	1.30
.17	.06	Lencourt	1000	.07	.08	.08	.08
.08½	.03	Lexindin	7000	.03½	.03	.03	.03
.07	.03	Lingside	7000	.04½	.04½	.04½	.04½
.20	.08½	Lithium	nil	...	B.08½	.....	.08½
2.43	1.61	Little L.L. ..	2540	1.70	1.70	1.61	1.65
.48	.14	Lorado Ur. ..	36112	.29	.29	.28	.28
.23	.05	Lorado warr. .	9350	.10	.11	.08½	.10
.13	.04	Louvicourt ..	20000	.06½	.05	.04	.05
.40	.11	Lyndhurst ..	77600	.12½	.16	.13	.16
.22½	.07	Lynx Yk. ...	52000	.08	.09½	.08	.09½

M

		Macassa					
3.10	2.60	.12+.03	635	2.75	2.80	2.75	2.75
.55	.25	MacDonald ..	8100	.27	.28	.26	.26
.16	.05	Macfie	95100	.06½	.07	.05	.05
1.47	1.03	Macleod	3800	1.03	1.05	1.03	1.03
		Madsen R.L.					
3.45	2.55	.10+1.05 ..	10760	2.87	2.93	2.81	2.85
.18	.09	Magnet	25300	.10	.10	.09	.10
.55	.05	Magnetrans ..	6600	.03½	.05	.02½	.03
1.25	1.03	Malartic	3750	1.05	1.09	1.03	1.03
.11	.06	Maneast Ur. ..	4200	.05	.05	.05	.05
1.40	.65	Manitou-B. ..	1140	.71	.70	.70	.70
.42½	.13	Maralgo	14500	.16	.17	.15	.17
.17	.06	Marcon	4300	.08	.08	.07	.08
2.05	.90	Maritimes	58300	1.16	1.15	1.10	1.13
.47	.23½	Martin McN.	47700	.43	.43	.39	.40
		Massberyle ..	nil	...	.....	.....	.10
.22	.06	Matachewan ..	13600	.09	.09	.08½	.08½
.28	.12	Maybrun	11970	.13	.13	.12	.13
		McIntyre					
95.00	80.00	2.80+11.90 ..	1410	82.00	83.00	82.00	82.25
.48	.24	McK. R.L. ...	24575	.26	.29	.25	.26
1.25	.07	McMarmac ..	11000	.07	.07½	.07½	.07½
.45	.25	McWatters ..	3800	.26	.26	.26	.26
.25	.12	Mentor Exp. .	5300	.13	.13	.12	.12
1.90	.88	Merrill Is. ..	40475	1.04	1.03	.95	1.01
.12½	.07	Meta Ur.	32100	.08½	.08½	.07	.08
.55	.24	Mid-Chib. ...	3400	.30	.30	.23	.26
1.00	.48	Midrim	122320	.54	.55	.50	.52
.33	.12	Midwest	32200	.14½	.14½	†.10½	.14
2.95	.77	Milliken L. ..	43780	.92	.94	.77	.85
.09	.06	Mindamar	nil	...	B.06	A.06½	.07
16.37½	12.25	Mng. Corp .	7125	13.12½	13.00	12.50	12.50
.27	.08	Min. Ore	7642	.09	.08½	.08	.08
.21	.10	Mogador	25	.10	†.05	†.05	†.05
1.72	.75	Molyb'nite ..	400	.80	.79	†.70	†.70
1.21	.60	Moneta	17675	.67	.70	.63	.67
.30	.13	Monpre	9360	.21	.21	.19	.19
1.24	.43	Montgary	61080	.56	.55	.48	.53
1.04	.50	Mt. Wt. Iron.	17231	.58	.53	.50	.50
.68	.38	Multi-Min. ..	9000	.48	.43	.41½	.42

N

.30	.15	Nams Cr. ...	34400	.16½	.17	.16	.17
.14	.05	Nat. Ex.	9550	.08	.06	†.03	.05
.20	.05½	Nealon	15800	.06½	.07	.05½	.07
.16	.12	Nello Min. ..	nil	...	B.12	A.13	.13
.36	.12½	Nesbitt L. ...	47400	.15	.16	.12½	.13
.08	.03	N. Ainsworth	5000	.03½	.03	.03	.03
.12	.05	N. Algec	23500	.08	.07	.08	.05
.89	.25	N. Athona	9295	.28	.27	.25½	.27
11½	.05	N. Bid'le	18500	.08½	.09	.08	.08
.43	.24	N. Calumt 1.02	3500	.26	.25	.24	.24
.08	.05	N. Cronin	1150	.06	.06	†.01	.06
.38	.14	N. Delhi	5800	.15	.15½	.15	.15½
		N. Dick'n					
2.75	2.21	.10+5.02½ ..	5600	2.25	2.31	2.25	2.27
1.15	.74	N. Far North	nil	...	.....	.....	.74
.36½	.07	N. Formaque	63166	.15	.17	.14	.16
.11½	.05½	N. G'dvue ...	8081	.06	.06	.03½	.05½
.17	.03	N. Hamil	500	.03	.04½	.04½	.04½
.15	.09	N. Har'na ...	10606	.10	.09½	.09	.09
1.53	.61	N. Hosco	49300	.78	.82	.70	.79
.10	.05½	N. Imperial ..	nil	...	B.07	.....	.07
.05½	.04	N. Indian	nil	...	B.03	A.04	.04
.13	.04	N. Jack Lk. .	6425	.06	.04	.04	.04
.12	.06	N. Jason	10000	.07½	.07½	.06½	.06½
.27½	.06½	N. Kelore	14500	.09

INTERIORS
traditional or modern
BIG JOBS OR SMALL

★Whether it's selecting draperies for the cottage living room or completely decorating and furnishing a house or office building, interior decorating demands flair and a sympathetic consideration of the problems involved.

For the finest interior decorating in Draperies, Broadloom, Furnishings, and Floor Coverings, please arrange an appointment—no obligation, of course—with:

Arnold J. Teolis & Co.
6 COLLIER STREET
TORONTO—WAlnut 4-3821

THE CEMENTATION COMPANY LIMITED

MR. A. R. NEELANDS REVIEWS OPERATIONS

The THIRTY-NINTH ANNUAL GENERAL MEETING of The Cementation Company Limited will be held on December 16 at Grosvenor House, Park Lane, London, W.

The following is an extract from the circulated statement by the CHAIRMAN, Mr. A. R. Neelands.

The trading profit of the Group for the year under review, before charging taxation and before deducting pre-acquisition profits of a newly acquired subsidiary taken to capital reserve, is £1,144,649 as compared with £1,031,640 last year.

We have transferred to general reserve £100,000, and £150,000 has been transferred to the general reserve of a subsidiary company.

Your directors recommend a dividend payment of 12½ per cent., as last year, on the Ordinary shares which, due to an increase in capital and a reduction in the rate of United Kingdom income tax, will absorb £244,043 against £215,625 last year.

On December 31, 1958, your Company acquired as a wholly owned subsidiary, by purchase of its issued Ordinary share capital, The Demolition & Construction Company Limited, a company well known in this country for its activities in civil engineering, building and demolition work. As a result of this acquisition the issued Ordinary share capital of your Company has increased from £3m. to £3,187,500.

Parent Company at Home and Abroad

We took the opportunity offered to us some time ago of acquiring for the Commonwealth and certain other countries patent rights relating to Vibroflotation. This is a method of increasing the density and thereby the load-bearing capacity of granular materials not amenable to treatment by other methods, and we have now in progress a number of contracts at home and abroad using Vibroflotation, including one for the United Kingdom Atomic Energy Authority at the site of the new Winfrith Heath research station.

A further addition made during the year to the range of our specialist activities is soil stabilization, a well-established method of soil compaction, with a wide application to highway engineering. In addition to work at home, we have contracts in Kenya and Rhodesia, and the interest being shown in adjoining territories indicates a promising future in this field.

In the United Kingdom our major civil engineering contracts at Cashlie in Scotland and at Nant-y-Moch and Ffestiniog in North Wales continue to make their scheduled progress. In South Wales we are still active on drifting work for the National Coal Board, and elsewhere we also have a number of worthwhile contracts of a more general nature in progress.

The volume of piling work being undertaken remains at its consistently high level.

The specialist services of the Cementation department remain in demand both at home and overseas.

British Subsidiary Companies

Demolition & Construction has had a successful year, and among recent civil engineering projects awarded are the Main Quay Contract at Teesport for the Tees Conservancy Commission, and works for the London County Council in connexion with flood relief on the River Wandle.

John Thom Limited — which now includes our drilling department—has had a difficult year because deep drilling work at home has fallen off to a great extent and efforts being made to obtain alternative outlets overseas have not yet had time to bear fruit.

Quickset Water Sealers and Thermacoust have had a satisfactory year. Quickset's turnover and profit have increased considerably, both in its contracting and sales divisions; so also in the case of Thermacoust. Cementation (Muffelite) has maintained sales of Barrymount anti-vibration and shock mounts and the testing facilities afforded by the new laboratory at Hersham are attracting an increasing volume of work.

Commonwealth Subsidiary Companies

The overall position can be considered satisfactory. Our South African company has maintained its position and has returned an increased profit, despite the fact that during the year the general level of economic activity in South Africa has remained static or declined slightly.

The prospects for our Rhodesian company are equally good. At Mufulira we have obtained further contracts for mine shaft sinking from the Mufulira Copper Company, who are well pleased with our progress. Some road contracts, embodying soil stabilization in Rhodesia and Kenya, have been obtained.

At Kariba the Company's work on foundation consolidation continues satisfactorily and is scheduled for completion in the autumn of 1960.

Our CANADIAN Company shaft sinking work at Goderich and at Pugwash, showed good results. The ability of the Company in overcoming successfully the problems encountered in these shafts has become widely known in Canadian mining circles, and we hope to extend our services to other clients who are considering sinking shafts through difficult measures. The volume of other specialist work available is still less than anticipated and it seems probable that for some time to come results from these are likely to remain below our expectations.

High Premium Pinching Gold Mines

The high premium on the Canadian dollar has hit profits of both **Teck-Hughes Gold Mines**, and its subsidiary **Lamaque Gold Mines**. They both reported a drop in net profit during the first 10 months this year.

Teck-Hughes output from its Kirkland Lake area gold mine was limited by stoping preparations in the shaft pillar.

Result of the reduced output and higher premium was a 19% drop in net profit to $271,810 or 5.65c a share in the latest period.

President J. C. Perry states that a further 5.04c a share will come in from a dividend from Lamaque that was paid on Dec. 1. A similar dividend was received June 1.

Here are the operating results of Teck:

	10 mos. to Oct. 31 1959	1958
Tons milled	132,190	148,420
	$	$
Bullion production	879,586	929,588
Other income	37,624	61,633
Div. from Lamaque	243,020	242,320
Operating costs	888,422	898,772
Est. net profit	271,810	334,769
Earnings per share	5.65c	6.96c

Lamaque had a 9% drop in net profit to $608,767 or 20.3c a share in the 10-month period reflecting higher costs and the premium on the dollar. No provision has been made for depreciation which totaled $94,972 last year.

During the period Lamaque sold its holding of **Elder Mines** and purchased 400,000 shares of **Temagami Mining** for a total of $900,000.

Here are the operating results for the ten months to Oct. 30:

	10 mos. to Oct. 31 1959	1958
Tons milled	631,430	633,600
	$	$
Bullion production	3,702,334	3,789,684
Other income	44,030	81,169
Operating costs	3,094,734	3,067,135
Taxes	42,863	134,191
Est. net profit	608,767	669,527
Earnings per share	20.3c	22.3c

Both Teck and Lamaque have taken a participation in a group of 56 claims that was staked in the North Caribou Lake district in northwestern Ontario.

West Decalta Sales Higher

Despite large gains in crude oil sales and revenue, **Western Decalta Petroleum** had a larger loss in first nine months this year than in the same period last year.

A 12% jump in oil output to 223,000 bbl. was largely offset by a drop in crude prices. Result was a $92,000 gain in gross oil revenue to $1,695,000 before royalties.

But exploration costs remained high and were the main factor in the $31,000 increase in net loss to $344,401.

Highlight of operations during the period was the completion of two oil wells in the South Sturgeon Lake field. A third well is now drilling.

In the Simonette area, West Decalta and associates plan to drill a test on their acreage as soon as a rig is available. Decalta has a 25% interest in the 110,000-acre reservation.

Decalta also plans test drilling on its holdings in the Northwest Territories in the Fort Good Hope area. Drilling is expected to start in the vicinity of an oil seep early in the new year.

Two or three shallow tests are planned this winter.

Here are the financial results of the first nine months:

	— Nine months — 1959	1958
	$	$
Crude oil sales	1,660,733	1,575,816
Other income	34,554	27,603
Operating expenses	290,955	297,785
Admin. expenses	110,243	106,587
Int. expense	176,563	292,704
Exploration	302,937	162,859
Acreage rentals	72,245	94,284
Depreciation	1,070,987	938,160
Minority interests	15,758	14,825
Est. net loss	344,401	303,758

Profits Higher, But Prospects Sag For Coniaurum

In the first interim report issued in recent years, **Coniaurum Mines** reports a net profit of $29,860 in the first nine months this year. In the same period last year there was a net loss of $10,827.

Despite the profitable operations this year, the report is gloomy over the future prospects. Exploration work carried out to the northeast of the shaft on the 2,000-ft. level was "very disappointing".

"The possibility of continuing operations on a profitable basis is becoming increasingly difficult," the report states.

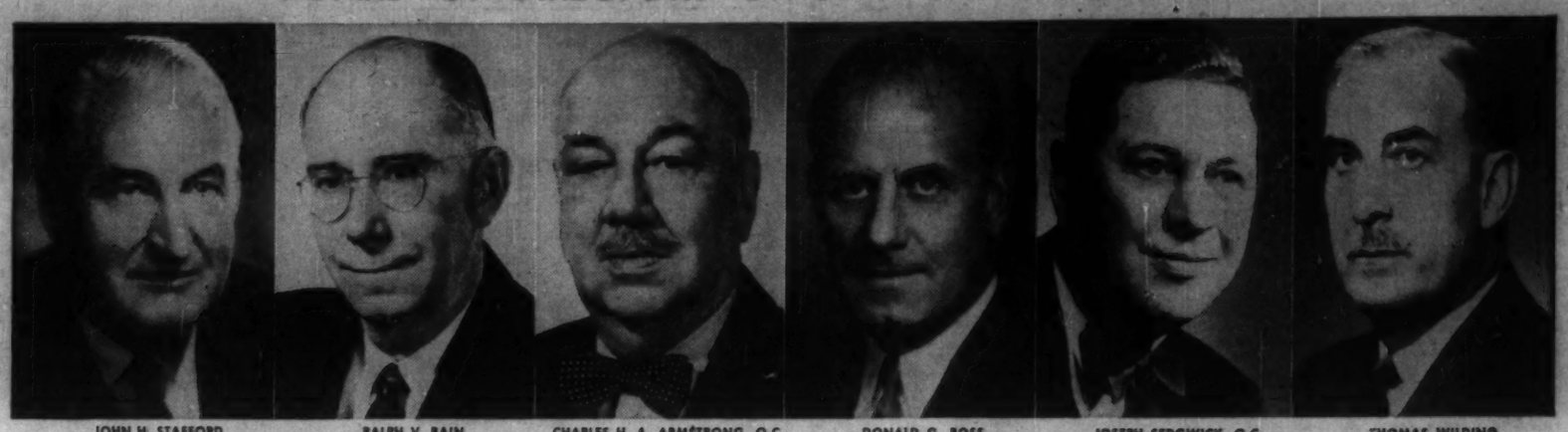
Here are the operating results of the nine months to Sept. 30:

	— Nine months — 1959	1958
	tons	tons
Tons milled	89,230	93,270
	$	$
Bullion production†	857,631	810,244
Other income	20,413	23,329
Prof. on sec. sale	6,292	*25,590
Operating costs	852,674	816,120
Depreciation	1,800	2,700
Est. net profit	29,860	*10,827

*Loss.
†Includes smelt-old.

ANNOUNCEMENT

BOARD OF DIRECTORS OF STAFFORD FOODS LIMITED



JOHN H. STAFFORD — RALPH V. BAIN — CHARLES H. A. ARMSTRONG, Q.C. — DONALD G. ROSS — JOSEPH SEDGWICK, Q.C. — THOMAS WILDING

John H. Stafford, President and Managing Director of Stafford Foods Limited, announces the election to the Board of Directors of Ralph V. Bain, who is Secretary-Treasurer of the Company; Charles H. A. Armstrong, Q.C., Donald G. Ross, Joseph Sedgwick, Q.C., and Thomas Wilding.

Mr. John H. Stafford is the founder of Stafford Foods Limited and has been President and Managing Director of the Company since its inception in 1935. Mr. Bain, who has been associated with the food and drug industries for 34 years, assumed his present position in 1955.

Mr. Armstrong, Q.C., is a Director of a number of other companies. Mr. Ross is President of Ross, Knowles & Co. Ltd., Investment Dealers; Mr. Joseph Sedgwick, Q.C., is a Director of Consolidated Denison Mines Limited, and Mr. Wilding is Vice-President and Director of The Toronto-Dominion Bank and Director of other companies.

Algom Interest Rewards Preston

Preston East Dome Mines' investment in uranium is starting to pay off for shareholders.

This week Preston declared a dividend of $1 a share payable Dec. 24, 1959, to shareholders of record Dec. 11. The last dividend by Preston, 4c a share, was paid in July 1957, from profits on its producing gold mine in the Porcupine area of Ontario.

However the current dividend results chiefly from a $2.50 a share dividend paid earlier this year by **Algom Uranium Mines**, in which Preston has about a 65% interest.

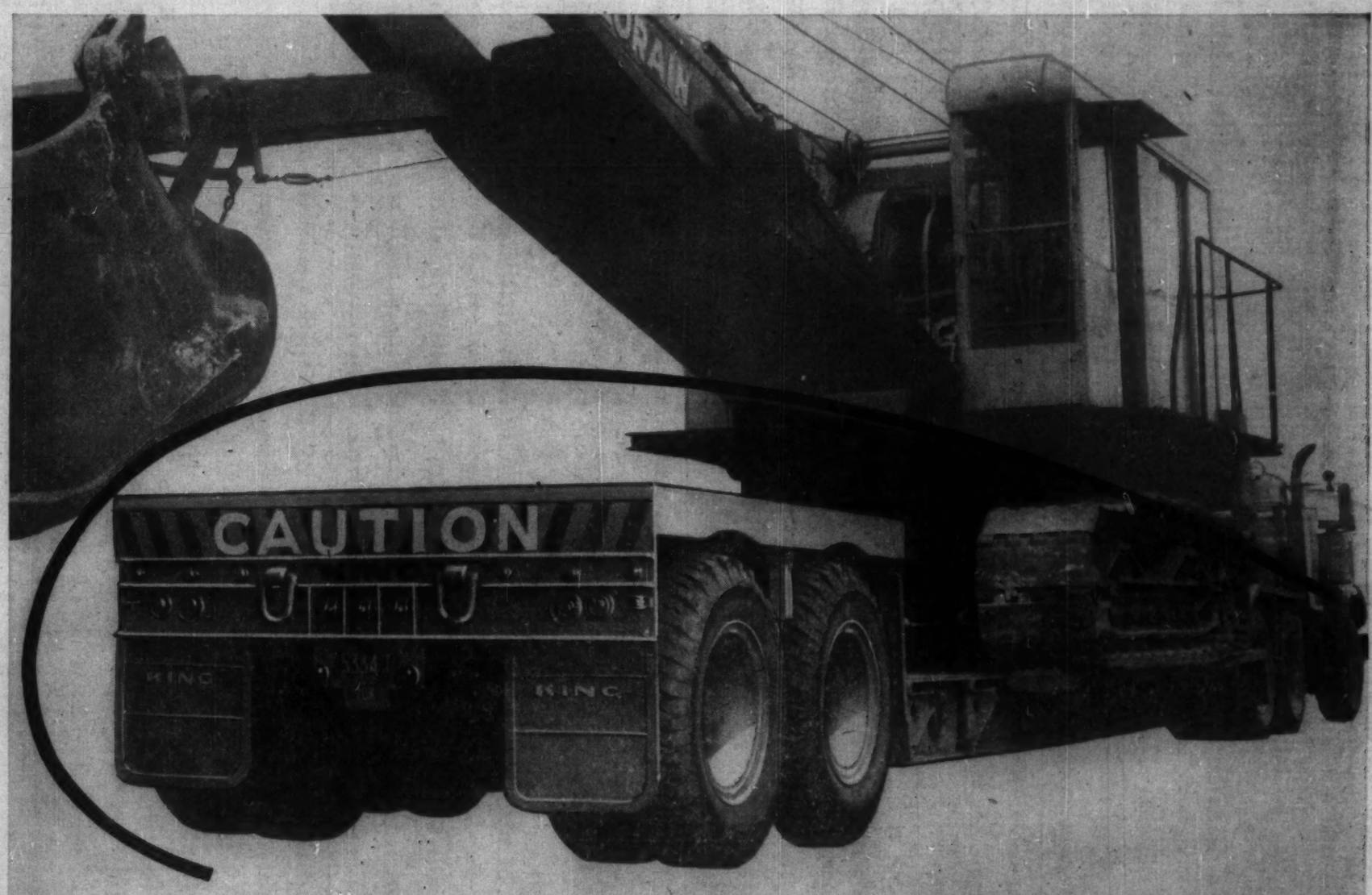
S-S-H Forms New Canada Division

All Canadian operations of **Salada-Shirriff-Horsey Ltd.** will be consolidated into a single division, President Grant Horsey announces.

An integration program for all divisions has been under way for some time.

With acquisition of Salada Tea business in 1957, company had decided on a divisional organization for Salada, Shirriff and Horsey operations and a separate sales division as well.

These will now come under the new Canadian Division of the company.



the load: 53 tons
the mover: Poce Construction Co. Ltd.
the trailer: KING
Canada's greatest name in trailer equipment

This King-Talbert removable gooseneck semitrailer is only one of many King models ranging in capacity from 10 to 160 tons. When you require a heavy duty low-bed semitrailer call on King—FIRST in low-bed design and engineering for over 25 years!

Made in Canada to meet Canadian needs
TRUCK ENGINEERING
LIMITED
WOODSTOCK TORONTO MONTREAL OTTAWA EDMONTON
KING

Question:

What should I do with my copper stocks now?

Answer: Depends on the kind of copper stocks you hold. If they're waterlogged issues which have millions and millions of shares in the hands of the public then you'd probably be better off selling now. But if they have a reasonable technical and fundamental potential then we'd suggest you wait for an improvement in copper prices.

Question: The stock I hold is supposed to have an outlined orebody. Does this make a difference?

Answer: Not too much. The important factor is how much stock has been sold to the public and at what prices. A stock which has only a few thousand shares in the hands of the public is one that can be easily moved by its sponsors—because there aren't too many shares available for short-selling purposes. Now if this kind of well-placed technical situation has an orebody as well, then the orebody is added grist for the sponsors to capitalize upon.

Question: Is it possible to tell which stocks have little supply in the hands of the public?

Answer: It definitely is. Mitchell clients have been able to move from one profitable situation to another just by relating how much stock the public holds to its sponsors' trading activities. If you'd like to learn more of the positive and profitable approach of the Mitchell clients we'd be pleased to send you our next six bulletins as well as our revealing booklet, Making a Business of the Stock Market. The cost is $5.00.

MITCHELL OF CANADA INC.,
1420 GENESEE BLDG.,
BUFFALO 2, N.Y.

RSC

Short Term Investments For Idle Funds

We deal actively in the money market and offer our services to corporations and individuals interested in lending or borrowing funds for short periods.

We are in a position to offer Government of Canada Treasury Bills, Government Bonds, and Notes of finance companies and other corporations to meet almost any requirement, or to arrange to supply short term funds.

Enquiries invited.

ROYAL SECURITIES CORPORATION LIMITED

244 ST. JAMES STREET WEST, MONTREAL — 360 BAY STREET, TORONTO

Montreal · Toronto · Halifax · Saint John · Quebec · Ottawa · Hamilton · Winnipeg · Calgary · Edmonton · Vancouver · Victoria · Charlottetown · St. John's, Nfld.

39-46

Agnico to Pay First Dividend

It was just two years ago that creditors of **Agnico Mines** accepted a settlement on $360,542 of debts under a bankruptcy action.

This week the company declared two dividends of 3c each. The first is payable on Jan. 15, 1960 to shareholders of record Dec. 31, 1959, and the second is payable on July 15, to shareholders of record June 30, 1960.

The dividends reflect the success of the company in its conversion from production of cobalt, under U. S. government contract, to production of silver. The cobalt contracts ran out in 1957.

In the 10 months to Oct. 31, 1959, Agnico reported an estimated operating profit of $323,133 before depreciation, ahead from $111,633 in the same period a year ago.

Worth Noting

Financing agreements and changes in financing deals, major changes in capital, filing statements are listed as reported by the Toronto and Montreal exchanges, Ontario Securities Commission.

ACADIA URANIUM MINES, arrangements for change in control as reported in TSE filing statement has not been proceeded with as parties have withdrawn from the transaction.

CANADIAN NORTH INCA MINES, during the first two weeks of November, sold 73,000 shares of **Agnico Mines** for $41,968.

CODY-RECO MINES, has issued 15,000 shares to **Geo-Technical Development** as settlement in full of an account of $2,488.

CONSOLIDATED BI-ORE MINES, has issued 195,000 shares in satisfaction of account payable of $19,500.

EAST MALARTIC MINES, between Aug. 1 and Oct. 31, purchased 52,100 shares of **Barnat Mines** for $68,736.

LAKE OSU MINES, option installment of 200,000 shares at 30c a share, together with subsequent installments has been extended for three months.

LONG ISLAND PETROLEUMS, option installment of 200,000 shares at 25c a share has not been exercised and agreement has been terminated.

LYNX YELLOWKNIFE GOLD MINES, option installment of 200,000 shares at 20c a share has not been exercised and notice of default has been given.

MALARTIC GOLD FIELDS, between Aug. 1 and Oct. 31, purchased 38,000 shares of **MacLeod-Cockshutt Gold Mines** for $41,966.

PAUDASH MINES, option installment of 200,000 shares at 60c a share together with subsequent installment extended for three months.

ROCKWIN MINES, option installment on 200,000 shares at 30c a share has not been exercised and agreement has been terminated.

Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

BY FRANK KAPLAN

A brief flurry in lower-priced members of the group of mines which found a substantial tungsten deposit in the Northwest Territories (**FP**, Nov. 28) was a highlight in otherwise lacklustre and generally lower markets.

These are the same firms which participated in the Mattagami Syndicate, discoverer of the large zinc-copper deposit in the Mattagami area of northwestern Quebec.

This week, the **Noranda Mines-McIntyre-Canadian Exploration** group exercised its first option on the Mattagami property, taking up 800,000 **Mattagami Lake Mines** shares.

The development group has another year in which to decide on production and take up the remaining shares. Typically, there was no indication of results of work.

Here's how the stocks of firms that shared in both the tungsten and zinc discoveries trade.

	Latest price	Week's high	Mid Nov.	1959 High	1959 Low
	$	$	$	$	$
Area	0.90	1.10	0.83	1.50	0.75
Leitch	1.31	1.35	1.20	1.61	1.10
Highland Bell	1.49	1.55	1.50	1.95	1.40
Dome	18½	19⅜	18¾	21⅛	15¾

* * *

Some interest in **Consolidated Mining & Smelting** as street buzzes with speculation regarding year-end dividend and possible extra. Smelters' rise to $19¾ from a recent $18 level spills over into **CPR** which controls the mining firm. CPR at $24¼ is ahead from $23¾. Smelters has been paying 80c a share annually on a regular basis. What with troubles in lead and zinc, there were no extras with 1959 dividends. In 1958, an extra 20c was paid and 40c extra was paid in 1957.

Also new talk on Smelters' Pine Point project which is waiting for a railway to be built by the federal government. Speculation is that a decision will be announced at the next session. **Pine Point Mines**, traded over-the-counter, bumps ahead to $11¼-$11¾ from around $8.50-$9.50 about a month ago.

International Nickel is also a feature with U. S. buying driving the price up to $100 from $95 in mid-month. This psychological century mark brings out the rumors—latest being a stock split. In any case, Inco, along with the rest of the nickel industry, is enjoying brisk sales. Wall Street price for Inco is $105⅜. Difference reflects the premium on Canadian currency.

Falconbridge also firms at $29⅝, ahead from $27¾ but **Sherritt Gordon** at $2.42 tends downward from $2.46 in mid-month. **North Rankin**, another nickel producer, shows little change at $1.03.

* * *

Rumor mills are grinding busily among the uraniums. **Lorado** officials refuse to discuss street story of a deal for their contract at $3.80 lb. with a sizable chunk of the per lb. price going to **Lake Cinch**—a shipper to Lorado. Rumors don't even mention **Cayzor-Athabasca** which also supplied Lorado. In any case Lorado shares churn busily with a top appearing to be 39c. At 36½c, they are up from 28c. Lake Cinch at 65c is down from 70c and Cayzor at 65c firms from 50c.

Canadian Dyno also said in midst of negotiations for its contract. Shares at 38c are ahead from 25c. But big uraniums continue to sag. **Gunnar** drops to $9.25 from $11⅛, **Denison** at $9.90

Cost of Probe Trims Profit

Rapid pace of exploration and development has meant lower earnings for **Canadian Malartic Gold Mines** so far this year.

In the nine months to Sept. 30, 1959, earnings were $67,685 or 1.7c a share, down from $207,915 in the same period a year ago.

In the third quarter this year there was a net loss of $4,119 down from a profit of $39,691 last year.

Exploration of the greenstone contact on the 1,375-ft. level is continuing. A crosscut to the area of the contact has been pushed 1,050 ft. and is expected to reach its objective in a further 1,600 ft. Exploration of the main porphyry will be deferred pending completion of the crosscut.

Here are the financial results:

	— Nine months — 1959	1958
	tons	tons
Tons milled	351,465	352,107
	$	$
Metal production	1,082,558	1,266,634
Cost aid	228,000	110,000
Other income	9,954	10,854
Marketing costs	9,266	10,834
Operating costs	1,209,915	1,120,871
Depreciation	31,500	40,500
Taxes	2,147	7,368
Est. net profit	67,685	207,915
Earnings per share	1.9c	5.7c

More Deep Ore For Taurcanis

Work on the bottom level of the Northwest Territories gold property of **Taurcanis Mines** continues to turn up more ore.

On the 625-ft. level a total length of 113 ft. has now been exposed. Chip sampling has indicated an average grade of 1.27 oz. per ton over a width of 6.3 ft. One high grade section averaged 1.73 oz. per ton over width of 6.8 ft.

The zone has now been delimited in length but further diamond drilling is planned to determine widths.

Four ore shoots have now been developed on the bottom level with total length of 517 ft. and with average grade of 0.92 oz. per ton over width of 3.7 ft. Total of 1,450 ft. of lateral work has been done to date on the Matthews vein structure on this level and a further 750 ft. remains to be completed.

To date, this work has shown strong downward continuity of the ore zone from the 325-ft. level. Vice-president J. C. Byrne states

Just off the press this week . . .

"25 BEST CANADIAN STOCKS FOR 1960"

NOW ready for immediate release, here's your free ticket for riding a new trading cycle up the booming Sixties. When we made the same offer last year—during a much more uncertain market and while Toronto industrial, base-metal, gold and oil averages were all high on the upside—24 out of 25 of our selections advanced from our recommended purchase prices; some up to 90% and 100%. This year we expect a 25 out of 25 record. Demand from the U. S. to fill vacuums created by steel and copper strikes has ripened the Canadian market for surges from a major bottom to a major top, and here will be the leaders—

5 HIGH-YIELDING INDUSTRIAL STOCKS—selected above all for safety, growth, regular income and significant appreciation. Strong at current prices and with earnings on the upside.

5 MINING STOCKS—with emphasis on the coppers and earning a profit from current production. Underpriced from the standpoint of earnings, reserves, assets and market potential. Leaders of the pack during a major swing up.

5 DIVIDEND-PAYING GOLD STOCKS—well positioned for increased trading values over the next 3 to 12 months and with longer-term outlook for taking over the market in the event of any revaluation of the yellow metal.

5 SPECULATIVE MINING AND OIL STOCKS UNDER $2 and as low as the pennies—all property bets with above-average potential for steep, fast runups. Aggressive sponsorship and adequate financial backing.

5 GAS AND OIL STOCKS—held back for a year now and trading along downside levels for the big rally that overdue cycles inevitably realize. Greatly underpriced and backed by companies with strong finances and excellent properties.

"25 BEST CANADIAN STOCKS FOR 1960" (retail value $4.95) is yours without cost when you become a subscriber (on a trial or regular basis) to THE CANADIAN FORECASTER. Here's what the battery of services includes besides our eight-page weekly commentary of Canadian stocks and the market: Free personal attention at any time (1) by direct mail whenever you wish a complete analysis of any or all of your Canadian holdings, (2) personal conferences in our central offices on Adelaide Street West whenever your questions are of a more complicated nature and (3) phone service whenever you feel that fast action is necessary but you're not sure what to do. **Why all this at such a low cost? Because we want the opportunity to prove to you that our clientele does succeed in taking profits out of speculative and investment securities in the Dominion today. But the proof, as they say, is in the pudding, so reserve your copy of our free book now by writing to THE CANADIAN FORECASTER, 238 Adelaide Street West, Toronto. 60-day trial —$5 ($5.50 airmail). Annual—$45. Phone — EMpire 4-5421-2.**

ANNOUNCEMENT

CARLING'S EXECUTIVE APPOINTMENTS

J. W. HEROLD — W. T. INGHAM

C. O. Dalton, President, The Carling Breweries Limited, announces the appointment of J. W. Herold, B.S., C.A., as Vice-President — Operations and W. T. Ingham as Vice-President — Marketing.

Cons. West Pete Sales Spurting

Consolidated West Petroleum is looking for a substantial increase in gas sales before the end of the year, President E. F. Coste states. To Nov. 14, this year, sales have already shown a 16% jump to $777,349.

In addition to stronger demand for gas in southwestern Ontario, the higher sales reflect the completion of new wells in West Pete's offshore Lake Erie acreage. One well, with an open flow potential of 2.8 million cu. ft. per day, is believed to be the largest well ever completed in southwestern Ontario.

All of the company's drilling rigs are now off the lake for the winter. Just before the season ended, a deep exploratory test well to the Trenton limestone was started. It reached 1,696 ft. before the weather forced suspension of operations. Work will be resumed next spring.

Company Report

Mining

CENTRAL DEL RIO OILS has started a policy of amortization of lease and dry well costs to the extent of the profit before such write-offs. As a result the company shows neither profit nor loss in the year ended July 31, 1959. (In the previous year the net loss was $30,673).

Oil deliveries dropped 181,358 bbl. in the latest year to total of 1,181,130 bbl. This year, Central hopes to develop additional markets for its Weyburn crude, states President Neil S. McQueen.

Proven drilled oil reserves are estimated at 59,549,975 bbl. as of Oct. 15, 1959. Estimates of proven undrilled and probable reserves are not released.

Participations were taken in drilling of 24 wells, of which 15 were successful producers. The nine dry holes were exploratory holes in Saskatchewan, Alberta and North Dakota.

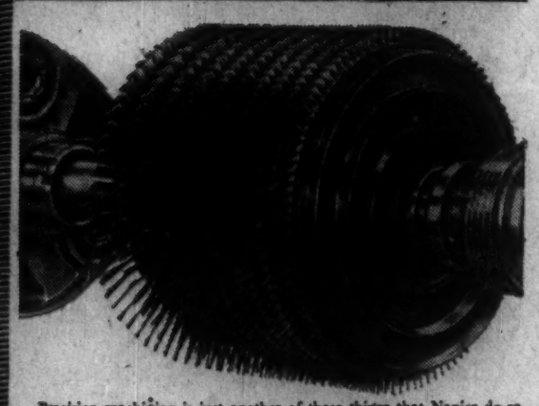
CONS. INCOME ACCOUNT

Years Ended July 31:	1959	1958
Net prod. rev.	$2,060,504	$2,297,982
Net drill. rev.	}	116,100
Other rev.	344,664	121,594
Total net rev.	2,305,358	2,535,383
Less: Admin. & gen. exp.	365,497	409,215
Lease rentals	208,736	216,370
Depreciation	418,136	488,824
Amortization	1,313,687	1,350,313
Prov. for inc. tax	.....	3,237
Net profit & surp.	nil	x30,673
xLoss or deficit.		
Shares o/s at July 31:		
Common, n.p.v.	6,412,180	6,409,902

CONDENSED CONS. BALANCE SHEET

As at July 31:	1959	1958
Cash	$277,113	$731,480
Accts. rec.	323,564	512,344
Deposits	.....	1,000,046
Mkt. sec.	2,497,869	19,251
Drill. contr. in prog.	.....	1,908
Inventories	197,692	235,873
Prepd. exp.	27,164	29,818
Total curr. assets	3,323,401	2,549,690
Invest., affil. co.	10,000	10,000
Other invests.	135,389	110,000
Land, leases & well costs	26,470,251	25,890,480
Plant & equip.	3,127,282	2,495,912
Less: Depr. & amort.	6,066,967	4,381,435
Total assets	27,019,363	27,064,753
Total curr. liab.	174,998	182,962
Capital stock	26,568,397	26,565,143
Surplus	256,748	326,747
aMarket value	2,497,869	20,070
Working capital	3,760,804	2,366,728

THINK OF PRECISION



Precision machining is just another of those things that Napier do so well. Modern thinking inspired the gas turbine engine which, in its turn, demanded the production of hundreds of these rotor blades, constructed and assembled with a degree of precision that is inherent in everything that Napier does.

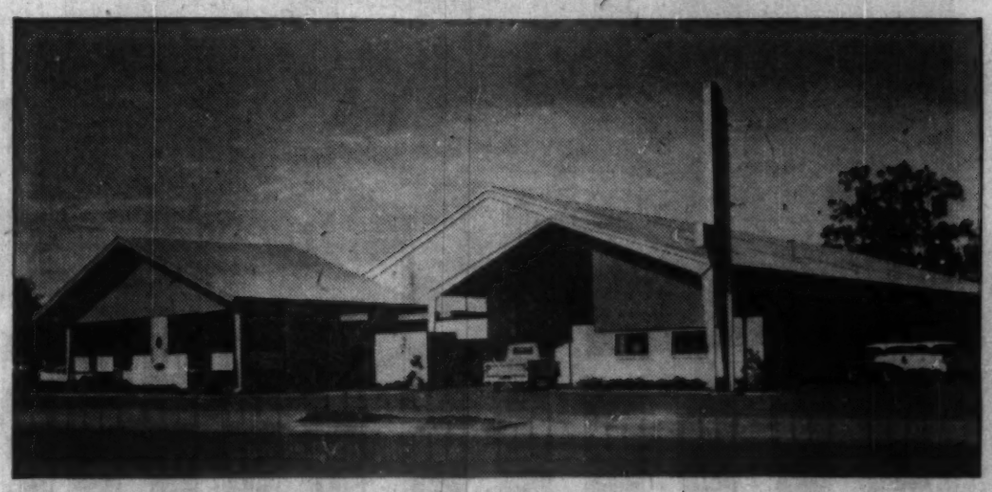
Precision that, in these times of maximum performance and maximum efficiency, is more important than ever before. Precision that, if neglected, can cost the lives of men and machines alike. Precision that if overlooked, can ruin the reputation of a company or a country. Think of precision and what goes to the making of precision. Think of the countless years of engineering experience that have made men more sure in their conception, more deft in their handling, more skilled in their craftsmanship. Think of how few engineers can really claim to be in this class today and, before long, you must

THINK OF NAPIER

D. NAPIER & SON LIMITED LONDON W3 ENGLAND A MEMBER OF THE ENGLISH ELECTRIC AVIATION GROUP.
Technical Representative: H. W. White, D. Napier & Son Ltd., P.O. Box 10098, Bombay 1. Tel: Bombay 243963.

ARMCO — *Creative engineering from* **ARMCO**

Here's how ARMCO STEEL BUILDINGS answer your individual building needs



You get exactly what you need in an Armco Steel Building . . . more beauty, greater durability, superior adaptability.
The Armco Building System gives you a wide choice of designs . . . any size, layout or finish for commercial, institutional or industrial buildings. Exclusive Armco STEELOX® Panels give smooth, durable exterior wall surfaces that integrate perfectly with any type of building material.
And Armco Steel Buildings are economical. Armco designs the buildings to meet your individual requirements, eliminating costly preliminary engineering and special fabrication. You save construction costs, because Armco Steel Buildings go up fast . . . are ready for occupancy sooner. And Armco Steel Buildings stay wind tight, weather tight, snow tight for maximum protection of equipment and personnel.
A wide range of widths and heights is available . . . clear spans to 100' . . . single and multiple span combinations to meet your exacting needs.

The STEELOX Joint interlocks each STEELOX Panel . . . provides maximum structural strength with a completely weathertight joint.

Armco Drainage and Metal Products of Canada Ltd.,
212 George St., Guelph, Ontario

Please send me information on Armco Steel Buildings for the following uses:

.....
Approximate size.....
Name.....
Company.....
Address.....
City.....Province.....

Financing arrangements available

To serve Canadians . . . **ARMCO** *creates the finest steel construction products!*

ARMCO DRAINAGE & METAL PRODUCTS of Canada Ltd.

Vancouver • Calgary • Edmonton • Regina • Winnipeg • Toronto • Ottawa • Montreal • Le Pont de Quebec • Sackville

9014

Manitoba Voters Puzzle Pundits

Roblin Conservatives lost one seat but government policy was not an issue . . .

From Our Own Correspondent

WINNIPEG—Manitoba political strategists studied the results of four provincial by-elections Friday and confessed frankly they could not quite understand what had happened.

The main fact appearing out of the figures was that Premier Duff Roblin's Conservatives had lost one seat in the legislature but even his opponents were not sure this was a repudiation of government policies.

The Liberal Progressives had retained the 11 seats they won in the last provincial election but they did it the hard way.

They won the Turtle Mountain seat, held for years by Errick Willis, former PC cabinet minister who resigned to become the next lieutenant governor of Manitoba.

The Liberals lost Rhineland constituency which was held easily through earlier elections by the late Wallace C. Miller, former education minister in the Liberal government, who died earlier this year.

The Rhineland seat went to the Social Credit Party, which had been considered a dead issue in Manitoba, but which apparently had a substantial pool of latent support in this Mennonite section.

In another upset, a woman won the Cypress seat which has swung back and forth between Liberal and PC camps in other votes.

Here is how the candidates finished:

- **Arthur:** Douglas Watt, PC, over Harry Patmore, Lib.
- **Turtle Mountain:** Edward Dow, Lib., over R. C. Aitkens, PC.
- **Cypress:** Mrs. Thelma Forbes, PC., over Leslie Sundell, Lib.
- **Rhineland:** Jake M. Froese, Socred, over Leo Rocksiedler, PC, and D. K. Friesen, Lib.

While the results came as a surprise and disappointment to Manitoba Conservatives, who had talked in terms of a sweep, most political observers believed that the government's record had played only a slight role in the voting.

The Conservatives, probably because of over-confidence, put little real effort into the campaigns.

The vote-garnering machine which had done an effective job in the two earlier general elections did not get into high gear in the by-elections.

Premier Roblin made a few speeches in the constituencies but was outpaced by Liberal leader Douglas Campbell, who approached voting day with a sustained round of meetings.

In all by-elections, the personality and popularity of the individual candidates were key factors.

Only in Rhineland did government policy play a significant role. Here, a sizable body of opposition to Roblin's school consolidation program, rolled up behind Froese, who is vice-president of the Manitoba School Trustees Association.

This factor, coupled with faithful Social Credit support and Froese's personal popularity, was enough to slide past the Liberal and Conservative candidates in the close vote.

The Liberal win in Turtle Mountain confirmed that party's claim that only the great popularity of Errick Willis held the seat for the Conservatives in the past. Even when Willis was in the running, Liberals have been able to make respectable showing in the constituency.

Mrs. Forbes' victory offered biggest puzzle. She was quite well known because she had served as campaign manager for the late Marcel Boulic, former provincial secretary, whose death a few months earlier opened the seat

Despite this advantage, few outside the constituency expected her to win since Manitoba has elected a woman to the provincial house only twice before.

Her election set off an immediate wave of speculation in political circles that she may succeed Boulic to the Roblin cabinet and perhaps in the same portfolio.

Unless two new ministers are appointed, Premier Roblin and four members of his cabinet will have to carry double portfolios and there was widespread belief that the premier was awaiting the results of the by-elections before announcing a cabinet shuffle.

It is believed that the lighter posts of provincial secretary and utilities minister will go to "rookie" cabinet members.

The by-elections also settled another question which had puzzled provincial officials.

If the Liberals had not won a seat, they and the CCF would have had 10 seats each, leaving parliamentary law experts with the question as to which group should be the official opposition.

The Liberal win leaves former premier Douglas Campbell firmly in the post.

Standing in the legislature: Conservatives 35; Liberals 11; CCF, 10; and Social Credit, 1.

Alberta Socreds, Liberals Reappraise Party Policies

From Our Own Correspondent

CALGARY — Reappraisal of policies highlighted provincial conventions here of Social Credit and Liberal parties.

Alberta Social Credit League, whose grass roots organization helped win 61 of the 65 seats in the legislature earlier this year, re-assessed its government operations and introduced resolutions, several of them certain to be passed in the next legislature.

The Liberals, with one member in the legislature, dealt with all facets of the country's economy and appointed committees to come up with specific recommendations at the next convention.

The Socreds favored the introduction of industrial taxation (FP, Nov. 14) with uniform assessment collected by the government and distributed to municipalities under a formula. (The formula is expected to be introduced in the next legislature.)

Delegates were also given a preview of the Socreds' drive for re-instatement of the party on a federal level.

A move to have the provincial treasury branches obtain a federal charter was turned down.

The treasury branches have certain leeway which banks don't have, said E. W. Hinman, provincial treasurer.

"We can deal in short-term loans to our own government which other banks can't do."

The treasury branches have more than $200 million out in loans and the government will give them additional sums at the rate of $1 million a year, the minister said.

A resolution to raise retired civil servants' pensions to a minimum of $100 a year was lost.

The Liberals appointed committees to study the oil and gas industry, agriculture and education.

A move to have a committee study all methods — including lotteries — to raise money for welfare and municipalities raised howls for and against, and the motion was tabled after two votes.

Ottawa Sets Date For Niagara Gas Export Hearing

National Energy Board has set Jan. 5, 1960, as the hearing date for the application of **Niagara Gas Transmission Ltd.** to export natural gas from Canada to supply the **St. Lawrence Gas Co.** with gas for the Massena-Ogdensburg area of Northern New York State.

The hearing will be held at Ottawa in conjunction with the applications of **Trans-Canada Pipe Lines, Alberta & Southern Gas Co.** and **Westcoast Transmission Co.**, which also have applications pending for the export of Canadian gas.

St. Lawrence Gas Co. is currently requesting the necessary permits for import of this gas before the Federal Power Commission in Washington.

WHERE DID YOUR PROFITS GO?

When it seems that the profits must have gone out the window, that's perhaps a good time to check into distribution costs.

In many industries, it has been found that the way to competitive advantage lies through the streamlining of the distribution process. The revolutionary tool that makes possible such a streamlining is Air Freight.

Air Freight brings a new concept to distribution, one which often shows startling economies in many directions—packing, insurance, warehousing, pilfering, to mention only a few. Other factors which directly affect profits are speed of turnover and reduced inventories.

Simple comparison of shipping charges seldom tells the whole story. The very real benefits Air Freight may be able to bring you emerge only from an examination of the total distribution picture. Call in a TCA Air Freight representative to help you make an evaluation, soon.

TCA AIR FREIGHT

TRANS-CANADA AIR LINES

every day, there are 175 TCA flights to speed your shipments

New quarters for Newfoundland Government ventilated by CANADIAN SIROCCO!

CONFEDERATION BUILDING, ST. JOHN'S, NEWFOUNDLAND. Newfoundland's government staff will have a spacious new home. And a comfortable one! Every office in the classically styled Confederation Building in St. John's will be remarkably pleasant to work in thanks to refreshing ventilation by efficient, economical Canadian Sirocco ventilating equipment.

You can rely on Canadian Sirocco to meet your air-handling, air-conditioning and heating needs. Canadian Sirocco engineers work closely with architects and engineers at the planning stage. Their specialized knowledge is available to help on your project. Simply write American-Standard Products (Canada) Limited, 1201 Dupont St., Toronto 4, Ont. Offices in 14 cities across Canada.

OWNER THE PROVINCE OF NEWFOUNDLAND
CONSULTING ENGINEER HUZA-THIBAULT, MONTREAL
GENERAL CONTRACTOR ROSS-MEAGHER LIMITED, OTTAWA
ARCHITECT A. J. C. PAINE, LAWSON, BETTS & CASH, MONTREAL
INSTALLING CONTRACTOR CANADIAN COMSTOCK COMPANY LIMITED, DORVAL, QUEBEC
ANALYSTS & CONSULTANTS WHITNEY-HANSON LIMITED, KITCHENER, ONTARIO

first and finest — the world over

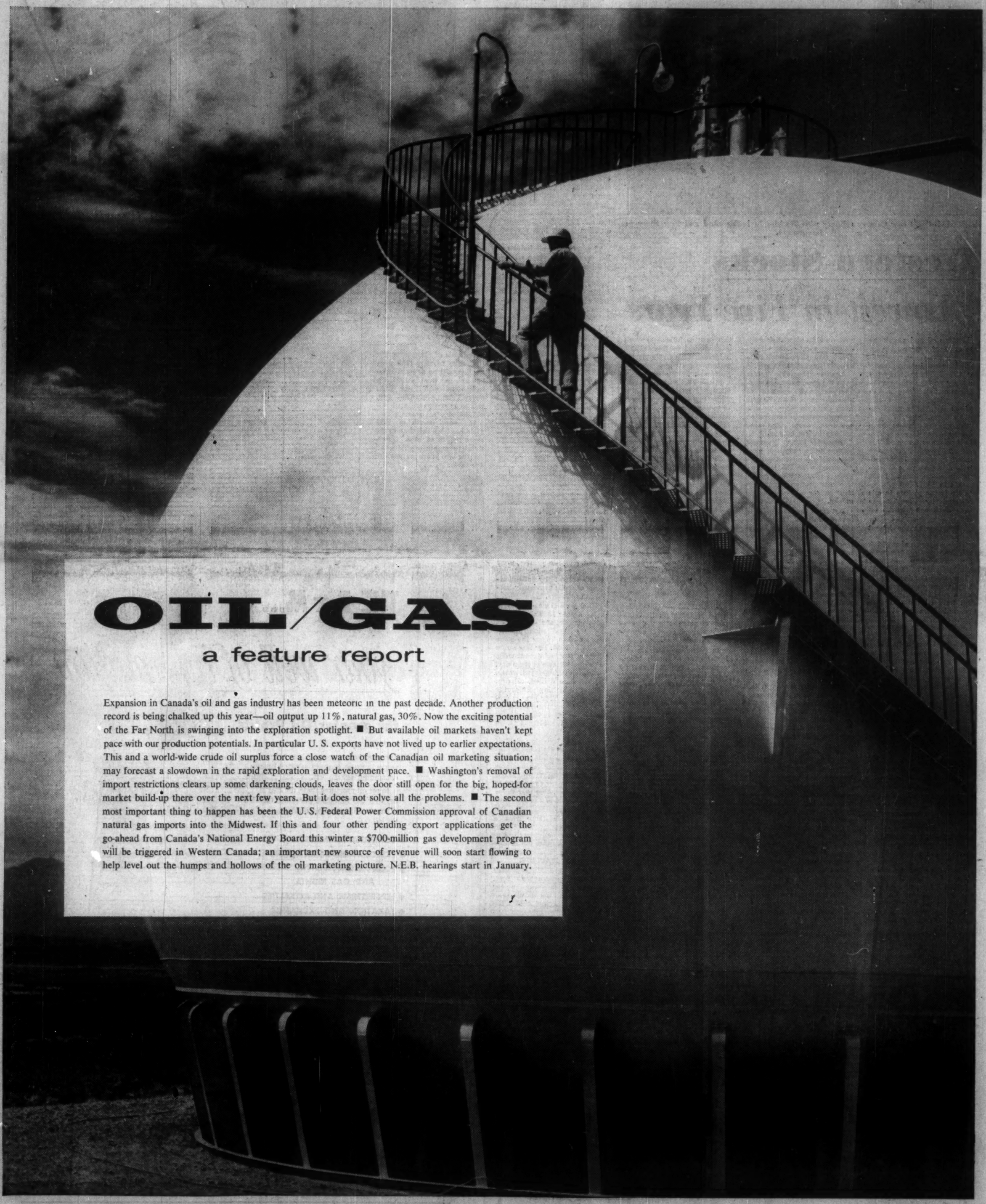
AMERICAN-Standard

AMERICAN STANDARD PRODUCTS (CANADA) LIMITED

plumbing fixtures, Gurney furnaces, boilers, radiators, ventilating and air-conditioning products, and heat exchangers

The Financial Post

Vol. LIII | Member of Audit Bureau of Circulations | Publication Office: Toronto, December 5, 1959 | Twenty-five Cents an issue, Eight Dollars a Year | No. 49



OIL/GAS

a feature report

Expansion in Canada's oil and gas industry has been meteoric in the past decade. Another production record is being chalked up this year—oil output up 11%, natural gas, 30%. Now the exciting potential of the Far North is swinging into the exploration spotlight. ■ But available oil markets haven't kept pace with our production potentials. In particular U. S. exports have not lived up to earlier expectations. This and a world-wide crude oil surplus force a close watch of the Canadian oil marketing situation; may forecast a slowdown in the rapid exploration and development pace. ■ Washington's removal of import restrictions clears up some darkening clouds, leaves the door still open for the big, hoped-for market build-up there over the next few years. But it does not solve all the problems. ■ The second most important thing to happen has been the U. S. Federal Power Commission approval of Canadian natural gas imports into the Midwest. If this and four other pending export applications get the go-ahead from Canada's National Energy Board this winter a $700-million gas development program will be triggered in Western Canada; an important new source of revenue will soon start flowing to help level out the humps and hollows of the oil marketing picture. N.E.B. hearings start in January.

IMPERIAL OIL's new Calgary refinery with Rockies in background and Bow River in foreground.

Western Stocks

Lowest in Five Years

Western oil and gas stocks are at about the lowest price levels in five years.

Despite continuing growth in the industry and the building up of a stronger financial and operating base in recent years, investors and traders largely seemed to ignore these issues.

Oil and gas issues have been swinging in a comparatively narrow range for the past two years. Prices have tended to weaken but generally at a slow pace following the sharp break in the market in 1957.

Here is the picture in oils indicated by the Toronto Stock Exchange western oil index:

- **Prices are at the lowest levels since 1954.**
- **They are down about 29%** from the year's top levels set early in January and 27% from last year at this time.

The slump this year is sharp when compared with only a mild 2% slide in 1958. And bulk of the downturn occurred from about mid-year.

Main factor in the downturn was, and is, a worldwide glut of oil which has been pouring into markets for about two years.

And, from the standpoint of investors, there was little sign that this glut might disappear since the search for oil continues without any major sign of a slowdown.

This search is continuing to pay off in new discoveries in places like the Sahara Desert as well as further afield in Western Canada.

In addition, the general market in Canadian common stocks was quiet and to a large extent ignored by investors and traders who were following a boom on Wall Street.

Meanwhile, the Canadian oil and gas industry continued to wade through a series of difficulties, steadily improving its position and strength.

Even the gloomy world oil picture hasn't stopped growth. This year, oil sales are expected to rise some 10%-12% in Canada — a whopping amount by any growth standards but still not considered satisfactory by many parts of the oil industry struggling to sell continually increasing supply.

Another favorable factor from the standpoint of Canadian companies seeking to generate more cash income from sales to help balance the cash outgo in exploration and development is the rapid buildup in gas business.

Generally the financial picture and strength of most companies in oil and gas has improved over the last two years although the very active exploration companies still never have enough money.

But from the standpoint of investor interest, the improving background in the industry seems to be largely ignored.

This year, highlights among the events shaping tomorrow's investment decisions on oil and gas stocks included:

- **The second Borden report** which suggested that oil companies get together to supplant some foreign oil with domestic supplies.
- **Establishment of a National Energy Board** which now appears to be getting under way and could be holding hearings on gas exports early in 1960.
- **Decision by the U. S.** that Canadian oil be treated on a continental basis and not be classed as foreign oil for import quota purposes.
- **U. S. Federal Power Commission** approval of imports of Canadian gas subject to assurance of supply from Canadian authorities.

These provide the background for future growth. They represent important considerations which were overhanging the relatively young oil and gas industry for a few years.

Now that the basic decisions have been made, the details can be cleaned up readily and full advantage taken of an industry framework which points to a North American continent concept.

Other highlights during 1959 included the rapid developments in northern British Columbia in both oil and gas. These will be speeded up this year as follow-up work is conducted at Swan Hills, Simmonette River, the northeastern corner and into the Northwest Territories.

In the Far North, the first discovery was made in the Eagle Plains area where exploration work had been under way for some years. A land rush into the Arctic islands has built the base for first exploration of that polar sedimentary basin.

In southern Ontario, the pace of drilling for both shallow oil and gas wells stepped up with interest again centred in companies in the Lake Erie offshore play.

Manitoba: Output Lower

For the petroleum industry of the Prairie Provinces, 1959 has been one of the best years on record in most of its branches.

Crude oil production, refinery runs, refinery receipts of domestic crude, and well completions were all up.

In no previous year have so many favorable factors been operating at the same time. Except for refinery facilities, Manitoba has not been a major participant in any.

Never a producer on the scale of Alberta or Saskatchewan, and never having had prospect of becoming one, the limits of Manitoba oil resources forecast six years ago are proving surprisingly accurate. Production has been declining for the last two years. The only question is how long present levels may hold.

The Manitoba oil industry has reached the stage where yield is going down, exploration activity has become negligible, and depletion of existing wells is going on at a faster rate than their replacement by new ones coming into production.

Looking at the optimistic side, production, such as it was in 1959, has held steady. There has been scarcely any variation in daily production between months, the spread rarely having been more than 200 b/d.

Unless reports for October, November and December show a sharp decrease, 1959 will end with an average daily production of about 14,000 bbl. compared with 15,970 bbl. last year.

The success ratio in oil finding was practically zero last year and has been no better in 1959.

There have been a few new wells within limits of existing fields, two in January, two in March, three in May, six in June, three in July, two in August and one in September.

None of them were big producers and, in any case, their addition to the oil yield was partly offset by abandonment of wells previously listed as producers.

The province likewise made a poor 1959 showing in well completions — only 31 for the first nine months compared to 74 for the same period in 1958. For these nine months 24 development wells were drilled, two of them dry. Wildcat drilling fared worse. Seven were drilled, all dry. Footage drilling tells the same story. This year it will be far below the 196,749 ft. in 1958 which in turn was far less than the 516,433 ft. in 1957.

With the lessening yield of older wells daily average production rates have been slipping. Last year for example yield dropped from 16,851 b/d in January to 14,244 b/d in December. The rate dropped to 13,686 b/d in February 1959.

From this there was a slight recovery to more than 14,000 b/d in March and April, and another dip in May when daily production again dropped to 13,994 b/d.

There were still 890 wells capable of production at Sept. 30, 1959. Throughout the year more than 100 have been turned off but not always the same ones. The province's total production since the industry started up to end of September has been 28,605,009 bbl.

With no new pools in sight or in prospect there is practically no interest in seeking new supplies. Except for one or two drilling rigs, their owners have given up the search.

On basis of returns for the first nine months 1959 production will be at least 750,000 bbl. less than in 1958. Up to September 30 it was down 657,005 bbl., 3,830,801 bbl. this year compared with 4,487,806 bbl. last year.

In every month of 1959 yield has been less than in the same month of 1958. Comparative monthly production for the two years is shown in the table:

	1959	1958
January	432,208	522,366
February	383,208	470,350
March	437,362	519,656
April	422,474	495,001
May	433,916	515,279
June	422,351	501,080
July	438,371	512,120
August	436,480	488,976
September	424,571	462,978
Total for 8 months	3,830,801	4,487,806
October	†	472,678
November	†	447,338
December	†	441,684

†Figures not available.

The spectacular production increases in the first five years since the first commercial recovery near Virden in 1951 have ended.

The early hope that Manitoba might become self-sufficient in oil requirements is abandoned. The province's oil potential is in a limited area in the western part of the province and there is still wide variation in estimates of total possible recoveries.

Manitoba Oil

	Total production to Dec. 31, 1958	Total prod. for 1959 to July 31	Number of wells producing
	bbl.		
Daly	6,556,991	486,920	161
Virden-Roselea	7,548,368	783,128	238
North Virden Scallion	7,841,845	1,099,705	238
Ebor	127,217	10,094	9
Kirkella	56,360	42,300	9
Lulu Lake	41,715	....	..
Maples	271,699	25,865	10
Pierson	170,293	16,265	6
Routledge	779,042	271,033	44
Tilston	125,647	22,556	9
West Butler	66,937	7,956	5
West Routledge	211,114	123,918	15
Whitewater	126,984	11,693	5
Woodnorth	628,391	40,349	9
Other areas	221,566	28,008	13
	22,774,169	2,969,790	771

The highest one is 90 million bbl. which seems optimistic but if correct would give the production end of the industry a life expectancy of 15 to 20 years.

There are 14 designated oil fields in Manitoba. Three — Daly, Virden-Roselea, and North Virden Scallion — have accounted for more than 80% of all production. This year up to Sept. 30 they have yielded four times as much as all other fields combined.

Only these three can be considered major fields. All are close to the town of Virden. The 640-acre Virden townsite with 16 producing wells is part of one of them.

For the first four years after the first recovery the original Daly field was the biggest producer but now the main one is North Virden Scallion which is yielding nearly one third of monthly production.

Some of the smaller fields are 50 mi. from the major ones.

In its position as a minor producer Manitoba is not seriously affected by fluctuating conditions in the petroleum industry as a whole.

(Continued on page 52)

Disposal Unit Cuts Costs

WINNIPEG — Gas-fueled home incinerators that dispose of garbage in the basement may cut costs of municipal garbage collection.

In Saskatchewan sale and installation of home incinerators is being promoted by J. R. Sarsfeld, sales manager of the **Saskatchewan Power Corp.**

At the recent annual meeting of the Canadian Gas Association in Winnipeg Sarsfeld demonstrated one of the new stainless steel units.

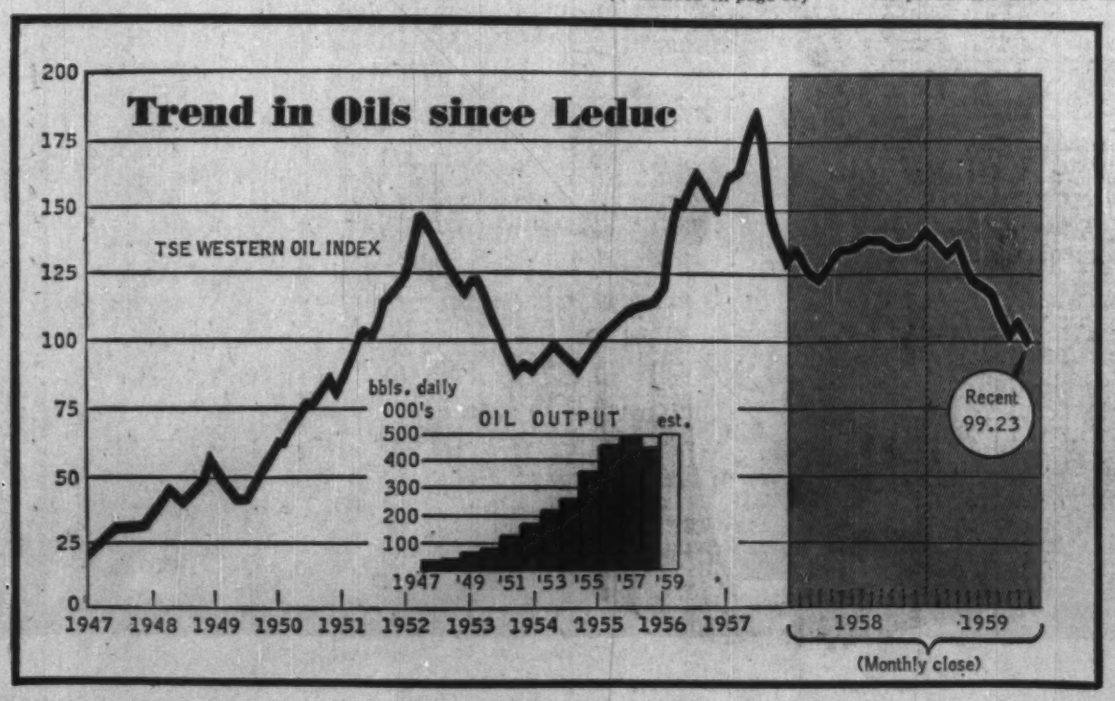
Home incinerators could make possible a five to six mill reduction in the tax rate, he said.

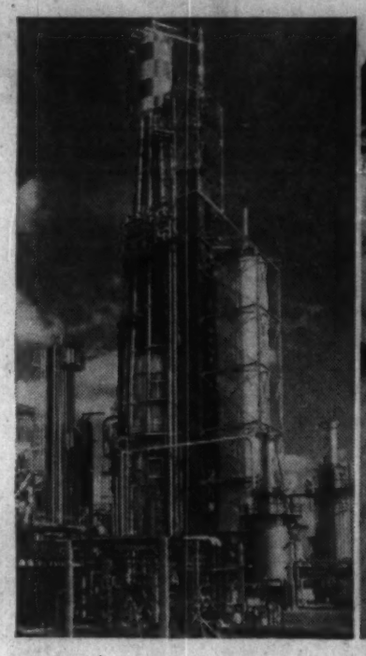
In Saskatoon nearly 700 home incinerators have been sold and about 500 installed. Yorkton has undertaken to assist householders in purchase of home incinerator equipment. Regina is considering a similar plan.

The power corporation has made an agreement with the Town of Moosomin. Requests have been received from Humboldt, Melville and Weyburn.

From 1948-58 Saskatoon's population increased 68.8%. The municipal mill rate in-

(Continued on page 83)





FINA - Finest In North America

CANADIAN PETROFINA LIMITED
PRODUCTION • REFINING • MARKETING

THE B OF M...

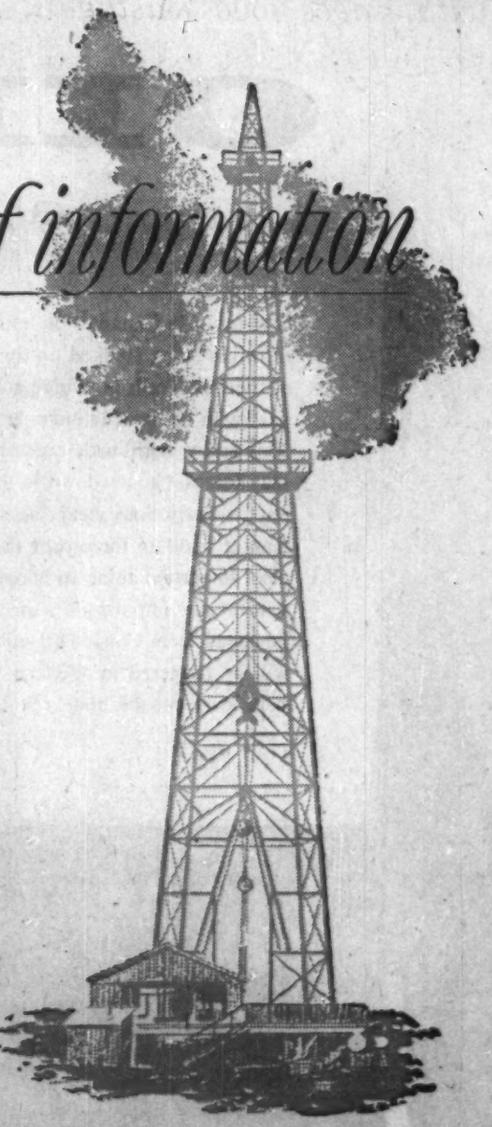
your well of information

for greater Oil Profits

Every day brings new problems when you're in the oil business — new problems demanding new answers.

In the oil provinces alone, the B of M has over 285 branches, providing valuable channels of information, including the following:

- COMPANY FORMATION
- EXPLORATION REGULATIONS
- RESERVATIONS OF OIL AND GAS RIGHTS
- LEASE TERMS AND ROYALTIES
- TAXATION AND EXCHANGE



For independent advice and specialized assistance, contact the manager of our Oil & Gas Dept., JOHN A. BAINES, Bank of Montreal, 140 Eighth Avenue West, Calgary, Alberta. (Tel. AMherst 6-8701).

INTERESTED IN THE U.S. INVESTOR?
A Transfer Office in the U.S. will facilitate a wider holding of your securities. This service is made available by the Bank of Montreal Trust Company, Two Wall Street, New York 5, N.Y.

NO STOCK RECOMMENDATIONS
While the Bank is prepared to provide all available information on the oil industry, it does *not* make recommendations regarding the purchase of individual oil stocks.

"MY BANK" FOR 2 MILLION CANADIANS B of M BD230R

BANK OF MONTREAL
Canada's First Bank

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

RESOURCES EXCEED $3,000,000,000 • MORE THAN 800 OFFICES ACROSS CANADA • OFFICES IN NEW YORK, SAN FRANCISCO, CHICAGO, LONDON AND PARIS • BANKING CORRESPONDENTS THROUGHOUT THE WORLD

Oil Future

Expect Big Changes

The Canadian oil industry presents a paradox:

- **In many ways** this has been the best year on record.
- **Yet never have so many** people talked about industry problems, recommended such sweeping changes.

Here's the 1959 production score:

- **Crude oil** output up 11%.
- **Products** sales up 12%.
- **Natural gas** sales up a whopping 30%.
- **Cash income** appreciably higher than last year.

But all this is receiving scant attention in the heated discussions over marketing problems, tight money policies, revised proration systems.

The hard facts of the case:

Despite the record production this year, excess capacity has become a more acute problem at all levels — from oil well to service station outlet.

In Alberta, oil production has fallen further behind rising potential. Production averages only about 40% of potential.

This, plus tight money, is putting a real squeeze on a number of producers, is keeping the proposed Montreal market question a live issue.

But this has been a year of significant accomplishments nevertheless.

- **U. S.'s removal** of import restrictions against our oil.
- **The favorable Federal Power Commission decision** on imports of Canadian gas into the U. S. Midwest.
- **The proclamation of a new National Energy Act** and the setting up of a five-man National Energy Board to deal promptly with energy matters.

U. S. action in removing import quotas against our oil far overshadows everything else that happened to the industry this year.

This has been an all-important policy step that might well have laid the groundwork for a permanent continental approach to oil marketing.

Certainly it has brought a new note of confidence into Canada's export picture.

Hopes are high now that the first concrete results of this move will start to show early in the new year in export volume into the Puget Sound area.

The FPC decision on gas could help provide a big new source of revenue for oil producers — new income that would bring a stronger note of stability to the industry, that would help smooth out the hills and hollows in the oil marketing record.

Although the National Energy Board is an untried entity as yet, its chairman is a man who is thoroughly acquainted with the industry and the gas and oil marketing problems of the West, Ian McKinnon.

Hearings on **Trans-Canada Pipe Line's** application to export Canadian gas into the U. S. Midwest will get under way early in January. If a favorable decision is forthcoming by early spring a heavy pipeline construction program would be triggered in the West this coming summer.

There are four gas export applications on the NEB docket.

They seek government permission to export a total of some 850 million cu. ft. of gas daily into the U. S. This could bring an annual starting revenue of over $42 million, capital expenditures of over $700 million in pipelines, gas processing plants, field development work.

In the meantime real marketing progress has been made in one of the directions recommended by the second Borden Energy report.

Western Canadian crude is capturing an increasing share of the big Ontario market and in so doing is pushing out foreign oil, some of it refined in the Montreal area. Actually this more complete blanketing of the Ontario market has accounted for most of the year's boost in crude production.

Ontario refiners are using approximately 20% more domestic crude this year than last — this against a national production increase of only 11.4%. This is one of the highlights of the year and clearly indicates the determined efforts being made by several of the refiners to follow one of the main Borden recommendations.

There is room for further improvement in the Ontario market. Foreign product imports are still running some 11,000 b/d — though down 42% from last year. Actual imports of foreign crude were cut from 13,000 b/d to 9,000 b/d. level.

At the same time there are still some 55,000 b/d of products refined in Montreal from foreign crude moving into the Ontario market mostly for the account of several refiners with no — or inadequate — refining capacity in the province.

A real effort is being made to displace more of the Ontario imports in the coming year. To shove out more of the Montreal refined products might require one or two special switch deals between refiners.

The biggest hope for increased export lies in the Puget Sound market area where Canadian crude at the moment undersells Venezuela and is just barely competitive with Four Corners area crude from California.

Concession oil from the Far East is still undercutting our crude. Canadian exports to this market this year have averaged 37,000 b/d, a 43% increase over 1958.

There are three refiners in this area connected to the **Trans Mountain Oil** pipeline. They have a combined capacity of some 135,000 b/d.

Smaller-than-average refinery runs during the year, plus imports of concession oil from the Far East, were main limiting factors in Canadian exports this year. The December demand in the Puget Sound area has jumped to 45,000 b/d and indications now are that it will hold around this level for the next few months

The status of Canadian crude could be changed considerably in this West Coast — or District V — market next year.

California independent producers have petitioned President Eisenhower to have Canadian crude made part of the domestic supply for this area. This could mean that the quota of offshore foreign imports into this area could be slashed further.

How Canada fares would depend on what is considered Canadian supply — the 37,000 b/d average sent into the district this year, or 135,000 b/d refining capacity connected to the Canadian pipeline.

Canadian crude is already supplying the major part of the oil requirements of refineries in the mid-northern U. S. Any important increases in this market then will depend mainly on normal increases in demand. Exports to this area averaged about 53,500 b/d this year; down about 10% from last year.

But there is one more attractive market area for our crude; although no one sees our oil likely to get there for another year or two at least.

It is the Detroit-Toledo area. At present our oil is a little better than competitive in price with U. S. crude in this area. With certain modifications in existing pipeline facilities Canadian crude could be delivered to this promising new market.

How long will it take these export outlets to build up into a really sizable market?

That, of course, is the No. 1 question facing oil and government officials today.

All major refiners have expressed themselves as optimistic over the eventual development of these U. S. outlets.

Many of the independents, on the other hand, think the export market build-up will be slow, that the attractiveness of concession owned crude over pooled crude in Canada will continue to exert an adverse marketing effect for some time. They continue to press for extension of pipeline facilities to serve the 250,000 b/d Montreal market.

In studying the whole oil marketing picture the recent Borden Energy Commission recommended against a move to Montreal at this time.

It called instead for strong company efforts—particularly on the part of the large international firms — to open up bigger export outlets in the U. S.

At the same time it recommended strong efforts be made to replace foreign oil coming into Ontario by Prairie oil.

The report set up a target of 700,000 b/d production by the end of 1960 or early 1961 as a reasonable one to aim at.

Several of the refiners have stated recently that the 700,000 b/d target is too high. It would mean a total export by end of next year of around 210,000 b/d as against current rate of about 100,000 b/d. They think this export level might be reached a little later, maybe by the end of 1961 or early in 1962.

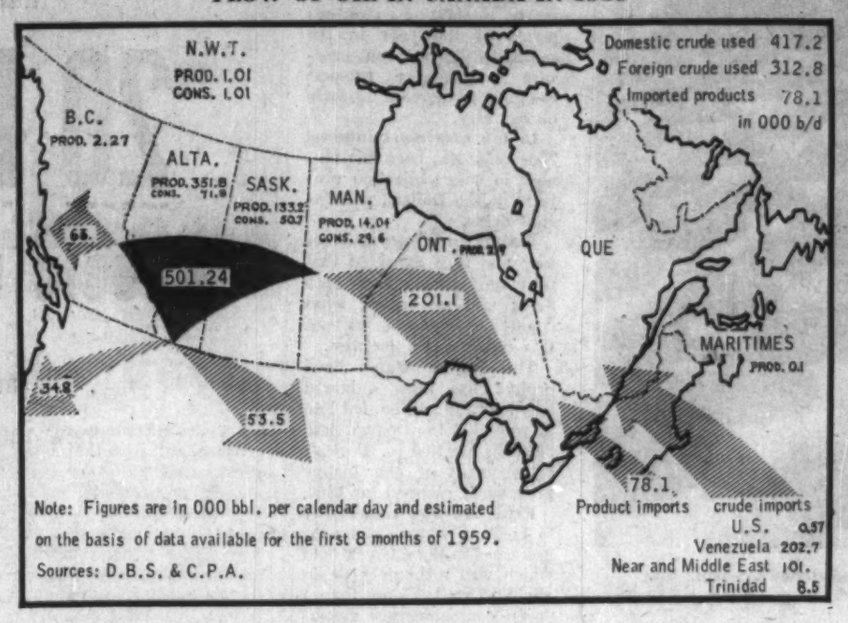
But they see a good chance of attaining the domestic end of the target — 440,000 b/d for markets currently served by Canadian oil plus an extra 50,000 b/d market in Ontario that is presently served by imports from Montreal or outside the country.

Of total 1959 crude production of 505,000 b/d, approximately 417,000 b/d—or 82%—was used in Canada. This represented 51.6% of total domestic consumption of crude and refined products.

At the same time certain industry spokesmen are recommending another approach to Alberta's marketing problem — modification of existing government regulations governing land acquisition, work commitments, proration systems.

The new regulations must be designed to slow down somewhat the rapid industry expansion of the last couple of years, they claim.

FLOW OF OIL IN CANADA IN 1959

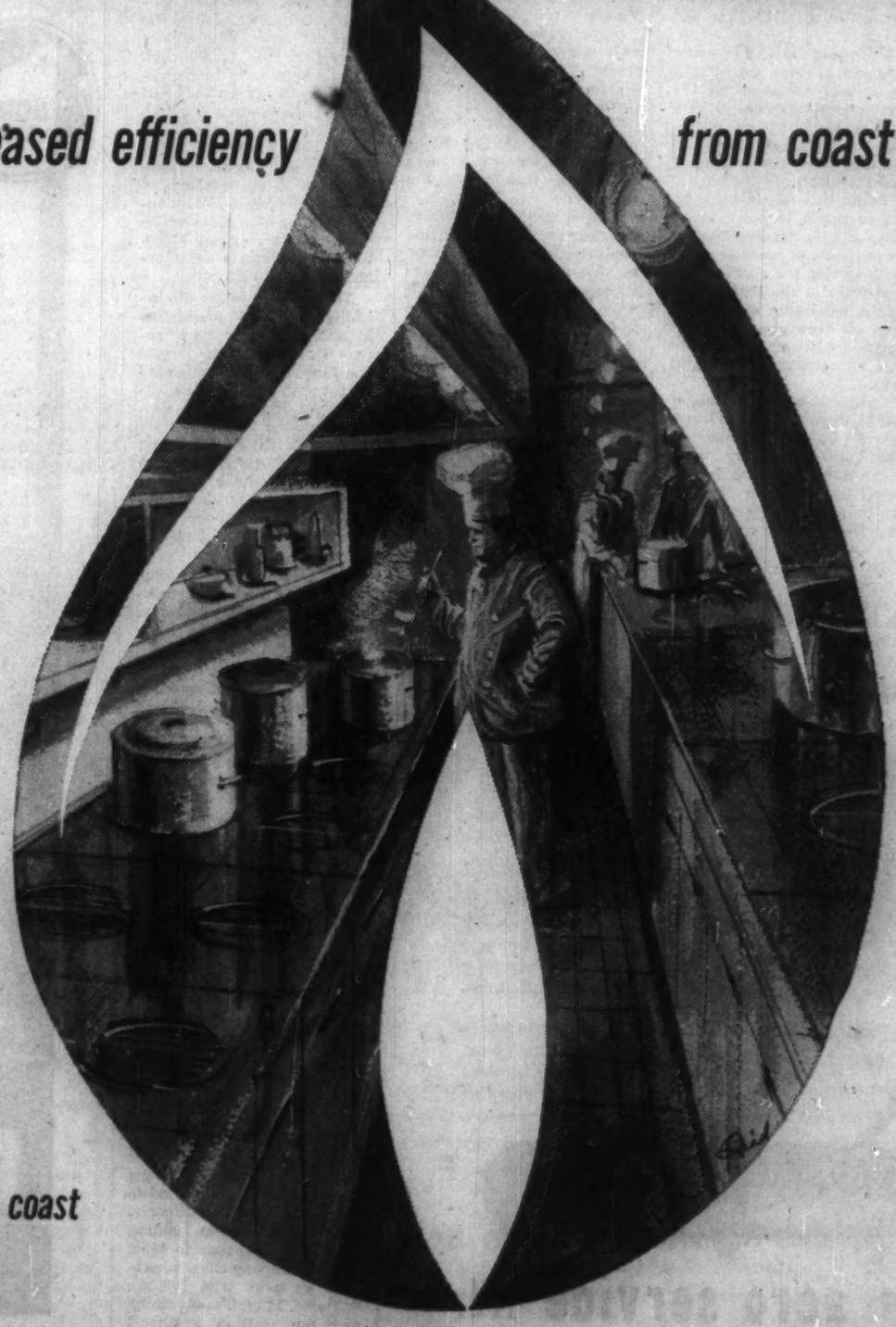


Note: Figures are in 000 bbl. per calendar day and estimated on the basis of data available for the first 8 months of 1959.

Sources: D.B.S. & C.P.A.

"Gas gives us speed for volume demands" . . . "We wouldn't cook with anything but Gas" . . . "Gives us exact temperature control for cooking and heating" . . . "We've modernized our whole hotel with Natural Gas, using it for cooking, water and space heating and air conditioning" . . . "No more sooty, dirty film on our restaurant's walls and furnishings. Everything stays cleaner, since we installed Natural Gas" . . . "The cleanest fuel we've ever used is Natural Gas" . . . "Gas saves us money two ways. It's cheaper to cook with, saves food wastage" . . . "Gas gives us all the hot water we need for dishwashing, temperature controlled, too" . . . "Over three thousand meals are served daily in our hospital. Every one is cooked to perfection, thanks to Gas".

This clear bright flame spells increased efficiency from coast to coast!



Across Canada, commercial establishments and institutions are discovering that Natural Gas is today's most modern fuel.

Restaurants, hotels, hospitals and other institutions have found that Natural Gas not only helps them turn out meals faster during peak load periods . . . it brings out all the goodness and appetizing appearance of the food as well. In any type of equipment . . . ranges, steam tables, broilers, bake ovens . . . Natural Gas helps produce better food faster . . . and with less food wastage.

Natural Gas is the most efficient fuel for water heating, too. Automatic controls enable selection of exact temperature for dishwashing and sterilizing. Gas furnaces and air conditioners are unsurpassed for economical space heating and cooling.

Natural Gas heat is *clean* heat . . . ends problems of dusty boiler rooms, smoky kitchen equipment, sooty or oily films on walls and furnishings . . . forever. And as cleaning costs are cut, profits rise.

The growing Gas Industry is helping firms across Canada by increasing efficiency, while cutting overheads. Write today, to the Canadian Gas Association, Toronto . . . and see how Natural Gas can help you in your business.

CANADIAN GAS ASSOCIATION

Natural Gas . . . working for you from coast to coast

HUNDREDS OF BARRELS of asphalt made from Saskatchewan crude oil.

Saskatchewan

Too Few Discoveries

Overhanging Saskatchewan's oil industry this year has been the absence of field discoveries of major significance.

This has combined with a continuing surplus situation in the international market to discourage new exploratory work. The market situation has, it is generally agreed, been the strongest inhibiting factor.

There have been offsetting factors, however, as a result of which a surprising amount of both exploratory and development drilling was done in the province up to the end of June.

These factors are:

- **Many 10-year leases expired** in 1959 making it necessary for leaseholders to drill, farmout or drop their leases. In some cases they were able to renegotiate freehold lease.
- **The larger companies were committed** to drilling as a result of previous geophysical work and as part of an over-all program of development which proceeds in stages.
- **The entry of "tax money"** from the U. S. for investment in the oil play by independents, notably Stekoll. These "10-cent dollars" come from investors in the very high income brackets in the U. S., including some in the motion picture industry. Tax dollars come from concessions made on income tax in the U. S. to people who invest in the extractive industries.

However the fact cannot be escaped that there were only seven field discoveries of any significance made in the province to the end of September. None of these proved of major importance.

By the end of June the effect of this began to show up in preliminary exploration work.

In May and June, the peak months for geophysical work, there were 11 seismic crews active in the province.

In July, August and September there were only eight. At the present time there are only three crews out and one magnetometer crew.

It is apparent, and this is the consensus, that what the province needs is a decided improvement in the world market situation plus a discovery of new fields.

Meanwhile drilling has been catching up to preceding geophysical work and it can now be said that unless a major new discovery is made in the province the outlook for drilling in 1960 is not bright.

Offsetting this gloomy prospect to some extent will be further expiration of 10-year leases taken out in 1950 and possible further activities by smaller companies financed by "tax dollars" from the U. S.

Expiration of leases will either result in work being done by the leaseholders or in farmouts to operators who will develop the acreage.

Always in the background is the possibility of a major new oil discovery. Even the most sophisticated, hard-bitten oil men never discount this.

In the first nine months of 1959 there were 680 rig months of drilling done. At the end of January there were 43 rigs active in the province, of which 25 were drilling development wells and 18 exploratory or "wildcat" wells.

By the end of May there were 34 rigs active, 27 in development work and seven on exploration. Currently there are only 16 wells drilling (Oct. 30) on which no breakdown of activity is available.

To the end of September there were 624 wells completed in the province. Of these 208 were exploratory wells which resulted in 154 dry holes, 50 wells capable of production and four gas wells. The remainder were development wells which resulted in 354 producers, 55 dry holes and seven gas wells.

Most of the development wells were drilled in the Souris Valley area in the province's southeast, stretching from Weyburn down to near the Manitoba border. There was a lot of "edge" drilling in established fields in the southeast, including Steelman, Weyburn, Midale, Viewfield and others.

These fields are now pretty well delineated, although a recent success indicates the Weyburn field may extend farther west.

While most of the drilling was done in the southeast (Souris Valley area) there was some activity in the southwest.

The outstanding feature of this was the filling in of the gap between the Bone Creek and Instow fields which proved beyond question that both were producing from the same reservoir. As a result, too, the Instow field was extended to include an area roughly 50 per cent larger.

There were no discoveries of much significance. Only one worth mentioning came from the drilling of 10 wildcat wells south of Bone Creek. That was the Oliphant and Oliphant Rapdan No. 419 about 25 mi. south of Shaunavon. As yet there has been no stepout well drilled near this.

As in 1958, the most active operators in the southwest were the Tidewater group, **Mobil, Imperial** (mainly in the Smiley area) and the **Husky-Phillips** team.

Following discoveries made late in 1958 west of Swift Current in the general area of Bayhurst and Dodsland about 32 wells have been drilled to date this year. This produced no oil finds but the largest gasser in the province was brought in near Bayhurst by Imperial Oil. Most active in the area were **Can Pet Exploration** and **Highwood Sarcee.**

Generally speaking, the most interesting developments of the year in the southwest have been pressure maintenance projects designed to increase ultimate oil recovery.

In the extreme southwest Tidewater has been the pioneer in water injection projects in the Dollard and Instow fields.

Results have been satisfactory and it is expected that ultimate recovery from both fields will be double what could be expected without this conservation practice.

The Instow water flood project has been enlarged this year and will be tied into 25 wells. In the Dollard field 30 wells are tied in. Further enlargement of the Instow program is planned for 1960.

Plans are now under way to begin a water flood program in the Bone Creek field which will ultimately tie in about 25 wells. More than a dozen companies are associated with Tidewater in these activities, grouped differently, depending on the fields in which they operate.

Mobil of Canada has been doing most of the wildcatting in the general area of Fosterton, northwest of Swift Current. During the year to date it has drilled about 24 wells in this area and another 20 in the southeast corner of the province, including 10 farmouts.

Manitoba Output Lower

(CONTINUED FROM P. 50)

It doesn't suffer from market contractions. Neither does it benefit from market expansion, as for example the rapid 1959 increase in Ontario's acceptance of domestic crude. Manitoba with a daily production of 14,000 bbl. doesn't figure in this development. In any case about half of its production goes through the interprovincial pipeline to the export market. This is because economies in transportation and quality of Manitoba crude make it acceptable to Minnesota refineries. To this extent Manitoba production is an international commodity.

As an offset to its diminishing role in production Manitoba still has major refinery facilities, the largest one **Imperial Oil Co.** currently running to about its capacity of 18,000 bbl. a day. Counting the North Star oil refinery in St. Boniface and the plant of Anglo-Canadian Oil Co. at Brandon total refinery capacity is about 33,000 b/d, which under pressure might be slightly increased.

Last year Imperial completed a Powerformer catalytic reforming unit at cost of $4 million with a daily capacity of 3,150 bbl.

The addition was solely to improve quality of gasoline and did not increase refining capacity. Last year also **North Star Oil** added a platforming unit with a daily capacity of 2,700 bbl. for the same purpose of upgrading its gasoline.

This year Imperial Oil has completed a $2.6 million unit which can turn out 650 bbl. of alkylate per day to produce aviation fuel for piston engines.

It was put on stream early in November and by end of the year will be in normal operation.

The company has a similar plant in Calgary. For the Winnipeg market practically all aviation requirements have been coming from the U.S. From now on they will be supplied locally.

Collection facilities for Manitoba's producing wells are provided by **Trans-Prairie Pipelines Ltd.** whose throughput for 1959 has been running about 10% less than in 1958.

The company has a network of more than 200 mi. of mains, 122 mi. in Manitoba and the rest in southeast Saskatchewan.

Now Serving

Northern and Northwestern

Ontario **INDUSTRY**

with more than

20 BILLION

CUBIC FEET OF NATURAL GAS *annually*

. . . and additional abundant supplies available to serve new industry locating in this expanding, industrial complex.

You will find it pays to investigate sites in the progressive communities served by Twin City Gas Company Limited and Northern Ontario Natural Gas Company Limited. Our Industrial Development and Research Division welcomes industrial and commercial inquiries for market surveys . . . special project studies . . . fuel cost comparisons . . . and comprehensive area facts and statistics.

There is a NEW "INDUSTRIAL GLOW" IN THE NORTHERN LIGHTS as natural gas, the new source of low-cost energy, re-writes the future for industrial development in this great area.

Industrial Development and Research Division

NORTHERN ONTARIO NATURAL GAS COMPANY LIMITED

A NEW GLOW IN THE NORTHERN LIGHTS — NATURAL GAS

TWIN CITY GAS COMPANY LIMITED

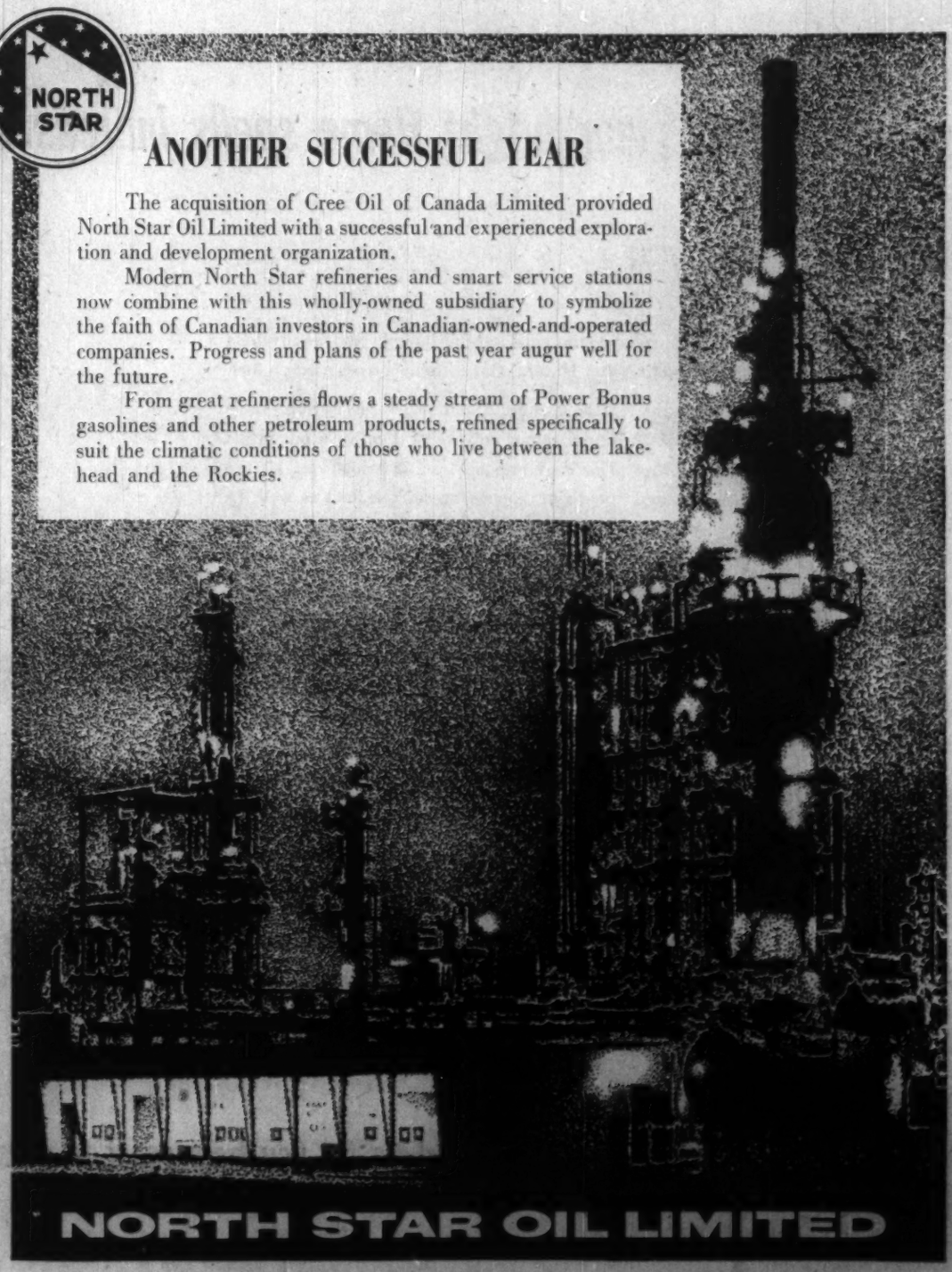
NORTH STAR

ANOTHER SUCCESSFUL YEAR

The acquisition of Cree Oil of Canada Limited provided North Star Oil Limited with a successful and experienced exploration and development organization.

Modern North Star refineries and smart service stations now combine with this wholly-owned subsidiary to symbolize the faith of Canadian investors in Canadian-owned-and-operated companies. Progress and plans of the past year augur well for the future.

From great refineries flows a steady stream of Power Bonus gasolines and other petroleum products, refined specifically to suit the climatic conditions of those who live between the lakehead and the Rockies.



NORTH STAR OIL LIMITED

call on . . . AERO'S experience to speed your aerial surveys

CANADIAN AERO'S broad experience with large scale magnetometer survey programs in Northern Alberta and the Northwest Territories (since 1952) can materially speed the performance of your project.

Your pre-planning for survey projects in the very Far North, particularly in the Arctic Islands, could bring major savings. Twelve to 24 months advance planning would make a great difference.

For responsible, on-schedule performance of your exploration or mapping, call on CANADIAN AERO. Let us meet with you in the early planning stages of your next project.

canadian aero service ltd.

CALGARY • TORONTO • OTTAWA • LONDON, ENGLAND

Montreal Pipeline: Yes or No?

Here are the arguments for and against this controversial oil issue

There is a sharp cleavage in the Canadian petroleum industry on a proposed national oil marketing policy.

A strong group of independent western oil producers is urging an extension of pipeline facilities to the Montreal area so that Canadian oil may displace foreign imports in this Canada's biggest refining centre.

But the major integrated oil companies are strongly opposing such a move.

In its second report the Royal Commission on Energy recommended against the Montreal move at this time. The report stated "before any such action is taken an opportunity (should) be given to the oil industry to demonstrate that it can find markets elsewhere in Canada and the U. S. sufficient to sustain a healthy and vigorous Canadian oil industry with the incentive for further exploration and development."

The report suggested a production target by the end of 1960 of around 700,000 b/d. It recommended that the National Energy Board be requested to keep this whole situation under review.

The Montreal market proposal is one of the biggest policy issues ever to come before the Canadian oil industry. It would involve some form of federal government action in curbing foreign oil imports into the area.

FP *has asked a key proponent for each side of the argument — one, the president of the largest integrated oil company in Canada, the other, the president of one of the most active independent companies — to state his case in exclusive articles for this feature Report on Oil and Gas.*

MR. WHITE
President of Imperial Oil

Against:

By J. R. WHITE
President, Imperial Oil Ltd.

At this point, some months after its issuance, it is becoming important to recall some of the things the Royal Commission on Energy did **not** recommend:

- **It did not recommend** tariff, quota or other protection for the Canadian oil industry.
- **It did not recommend** construction of extension of a pipeline to Montreal.

Presumably this was because the commission did not feel that the industry is in serious difficulty, and indeed it is not.

Production this year will exceed last year by 11%. Exports to the Puget Sound area will exceed last year's by 45%. Exports to the north-central U. S. will hold last year's level. Shipments to the Ontario market will be about 20% higher.

No industry which is showing sales gains of this magnitude can offer a convincing case for protection against foreign competition.

Presumably, the royal commission did not recommend in favor of a pipeline to Montreal because it recognized that this project, if it is to be considered at all, must come after the possibilities in three other directions have been explored to the full.

These three avenues are:

- **To maximize exports** of crude oil to the U. S.;
- **To make whatever modifications** are necessary in the producing and exploration regulations with a view to eliminating all avoidable additions to exploration and producing costs and to eliminating handicaps to the industry's capacity to bargain and compete against crude oil from abroad;
- **To saturate the Ontario market** with Canadian crude oil and products made from Canadian crude.

Important progress has been made in all of these three areas and more is possible.

In fact, further progress is essential because it is already plain that if the industry is to continue to grow in a healthy fashion, exports are of prime importance.

Present producing capacity already exceeds the capacity of all the refineries in Canada and it is quite apparent that the only way that oil produced, for example, from the Far North or from the tar sands will find a market is through the development of additional export markets.

For such a program protectionism is worse than useless.

Import tariffs will not win an export market, and to whatever extent tariffs and quotas protect inefficient producers, they tend to work against the development of export markets.

The way to win export markets is with low costs and aggressive salesmanship.

Policies which concentrate production in high-cost, marginal units, policies which inhibit the ability of the industry to promote the sale of its oil "vigorously and imaginatively" are not compatible with the healthy development of the oil industry.

With regard to the often-suggested Montreal pipeline, the economic and regulatory difficulties associated with the restrictive controls necessary for the project continue to appear formidable.

The growing awareness of the necessity for export markets places even greater emphasis on the need to avoid such restrictions in order to retain the preferred position which Canada has gained in the U. S. quota system.

It is less likely than ever that the U. S. would feel free to continue its favorable treatment of Canadian oil if Canada were to reply by discriminating against other oil-producing countries abroad.

The job for the oil industry today is not to assume a defensive attitude aimed at fencing off the domestic market, but to ensure that everything possible is done to keep it a healthy, low-cost, efficient industry capable of aggressively seeking and winning export markets.

MR. BROWN, Jr.
President of Home Oil

For:

By R. A. BROWN, JR.
President, Home Oil Co.

It has become increasingly apparent with each week that has passed since the release of the second report of the Borden Commission, that both the long range and short term solutions to Canada's oil marketing problems must be found in Canada by Canadians.

And it is just as clearly apparent that the first requisite of such solutions must be an immediate, clearly defined and vigorously proclaimed national oil policy.

The Bordon Commission urged that determined efforts be made to expand export and domestic markets for our oil so that production could be increased to 700,000 barrels per day in 1960.

Our oil has been kept out of export markets, despite its lower price, by the policies of the international companies. Short of compulsion by the Canadian government, there is no evidence that the international companies will take any worthwhile action to find important permanent new export outlets for Canadian oil.

Moreover, it must be emphasized again that the Borden objective of 700,000 b/d is a minimum goal.

Export markets are desirable and essential, but are no substitute for the ultimate saturation of the Canadian markets.

The economies made possible through the construction of a big inch pipeline from Edmonton to Montreal with resultant reduced tariffs in comparison with those of Interprovincial would make our oil fully competitive with foreign oil in Montreal.

In a dynamic economy, the steady growth in production and demand for oil is essential. But without a national policy, this growth in production is stifled by the commercial interest of the international companies.

Canada today is the only oil producing country in the world without a national oil policy. It is most significant that France, immediately upon the recent discovery of oil in the Sahara, enacted legislation to force French refineries to make room for French oil.

The reason a national policy is imperative lies in the nature of near-monopoly control which exists in the international oil industry.

As the Borden Commission so clearly pointed out, seven international companies control 85% of the world oil production. These companies dominate the refining industry of the U. S. and control 80% of Canada's oil reserves and a greater proportion of our refining capacity.

Each of these companies, in everything it does, must serve its own best interests, regardless of how the service of that interest conflicts with the best interests of Canada or any other nation.

None can voluntarily take leadership to expand the use of Canadian oil if, in doing so, it brings its interest in Venezuela or the Middle East into jeopardy.

It must judge its commercial policies firstly on their profitability to the company and secondly on their impact upon their competitors.

Thus, as the Borden Report makes clear, the major companies will be reluctant to voluntarily purchase Canadian oil for their refineries if such purchases provide profitable markets for the crude oil production of their competitors.

While the U. S. restrictions on imports applied to Canada, spokesmen for the international companies blamed the restrictions for loss of the Puget Sound market. The removal of the restrictions was hailed in Ottawa and elsewhere as a forerunner to expanded exports to the U. S.

The Canadian independents took the view that little permanent gain would result. Our exports to Puget Sound are now approximately where they were before the restrictions were removed.

When the government of the U. S. first imposed its voluntary import controls, the major companies publicly announced they would comply, even though it meant cutting back the use of their own foreign oil.

In the main they did co-operate with the U. S. government. Certainly, as far as Canada is concerned, it would require complete co-operation on the part of the international companies to achieve the Borden target of 700,000 b/d in 1960.

The international companies, who own the Canadian refineries as well as those across the border should therefore act vigorously to expand Canadian production to 700,000 b/d if the Canadian government adopts the Borden Commission's recommendations as a national oil policy.

From a practical point of view, some companies would be able to do so quite easily for they have refineries in both Puget Sound and Montreal.

For others, some rather complicated "swap-outs" would be necessary. In any case the result would depend upon the attitude of the international company to the Canadian government policy.

When they appeared before the Borden Commission, it was suggested that they might in united action find some solution to the problem of shut in production. Fear was expressed that an international company which led a campaign to replace Venezuelan crude with Canadian oil might become the subject of punitive action by Venezuela.

In their foreign concessions, the international companies are continually under twin pressures to pay higher prices and produce more oil. It is to their advantage to give preference to their foreign oil over Canadian oil even in areas like the Puget Sound where Canadian oil is competitive.

It is likewise to their advantage to give preference to foreign oil in the Montreal market where Canadian oil delivered through a big inch pipeline could be competitive.

But it must be in the interest of Canada to develop its own petroleum resources as quickly as possible as an essential part of a steadily expanding economy. Because of our huge trade deficit, we require export markets. We require Canadian markets even more.

It is economic folly to pay out more than $300 million per year in U. S. dollars for oil which can be produced in Canada, earn high wages for Canadians, earn profits for Canadian industry and yield a substantial share of taxation to the government of Canada.

All this adds weight to the argument that a national oil policy, dedicated to the serving of Canadian interests is required now. Only through such a policy can the Canadian oil producing industry play its vital role in the Canadian economy.

Tough Program For CGA

With the Canadian gas industry embarking on a close to $2,000 million development and expansion program, the Canadian Gas Association discarded knee-length pants and climbed into man-sized overalls for the tough job ahead.

Under the guiding hand of W. H. Dalton, managing director, CGA has grown from a sickly youngster into a dynamic organization with a staff of 40 and over 15 committees operating for the advancement of the gas industry.

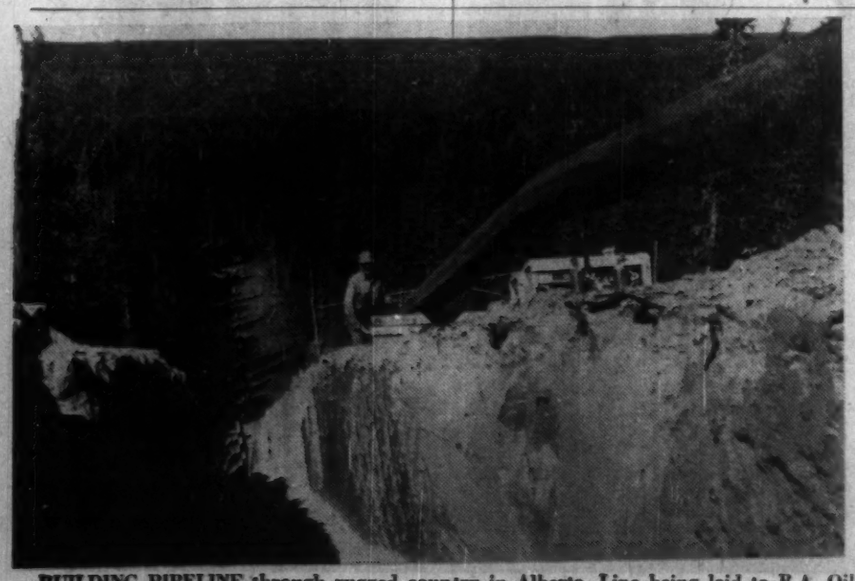
Here are just a few of the advancement programs undertaken:

- **The first three-year gas technology course** in North America was started. This three-year course is the industry's spawning ground for select technical engineers for the vast expansion program now planned in the industry.
- **In 1956 CGA started a Canadian Approvals Program** which has developed into a highly efficient testing organization covering all phases of approvals through CGA laboratories. This covers all gas-burning equipment.

In 1958 some 430 different models of gas-burning appliances were tested and certified.

To keep pace with the tremendous growth of the gas industry the advertising department of CGA instituted a nation-wide promotion, advertising and merchandising program.

Designated "PAM" it is carrying the story of natural gas across Canada in all leading publications.



BUILDING PIPELINE through rugged country in Alberta. Line being laid to B.A. Oil's gas processing plant near Nevis.

reliability means

RELIABILITY

RELIABILITY

specialists in pipeline installations, gas distribution systems, gathering systems and consumer services. Complete yard coating services.

BANISTER HELM LTD
FULTON BANISTER LTD
Pipe Line Contractors From Field to Furnace
contractors • engineers
SASKATOON • EDMONTON • REGINA

FOR FACTS ABOUT *Canada's Oil and Gas*

ROYAL BANK MANAGER (left) GETS FIRST-HAND LOOK AT GAS STORAGE TANKS IN WESTERN CANADA.

The Royal Bank of Canada provides complete banking services to oil and gas men. Over 300 branches are strategically located throughout the oil and gas areas of Western Canada. Each Manager knows his own district intimately, can provide on-the-spot service and information — because he works there. The Bank's "Oil and Gas" department in Calgary issues "Bulletins" from time to time dealing with many aspects of the industry. For a list of current bulletins and our oil and gas maps, write: The Royal Bank of Canada, Oil and Gas Department, 409 8th Avenue West, Calgary, Alta.

We do not provide information on oil securities

THE ROYAL BANK OF CANADA
Canada's Oil and Gas Bank

OVER 960 BRANCHES IN CANADA, THE CARIBBEAN AREA AND SOUTH AMERICA. OFFICES IN NEW YORK, LONDON, PARIS.

NEW MOBILE type drilling rig can be moved from one site and spotted on another in a matter of minutes. Ordinary heavy duty tractor-truck can be backed under it, coupled to it while mast remains erect.

B.C. Reserves

Watch for Big Increase

VANCOUVER—Watch for spectacular increase in British Columbia's oil and gas reserves at the end of this drilling season, in the late spring.

The big Kotcho Lake and Petitot River gas finds of earlier this year — and the massive geological structures they indicated — will make this the biggest year yet in the search for oil and gas on the West Coast, both in terms of drilling and geophysical work.

Here's one yardstick:

Since the petroleum explorers first moved into British Columbia, 473 wells have been drilled at a cost of about $145 million. Of these, 179 are commercial gas wells and 53 are oil producers — the hottest and highest discovery rate anywhere in North America.

This season alone, however — largely because of Kotcho and Petitot — more than 80 holes will be put down in British Columbia at a cost of more than $40 million, not to mention those planned north of Kotcho and Petitot in the Northwest Territories, or east of them, in the extreme northwest corner of Alberta.

Kotcho and Petitot, discovered late last winter by **Gulf States Oil Co.**, have not yet been fully tested. The drilling crews had to pull out as approaching spring melted the frozen muskeg which enables them to work in the north.

But preliminary testing indicated each of the two wells is among the largest in Canada — perhaps the largest in the world. Petitot is in the northeast corner of B. C., just a few miles south of the Northwest Territories boundary. Kotcho is about 60 mi. to the south of Petitot.

The Petitot River structure obviously extends into the Northwest Territories and — say some petroleum men — is the largest indicated structure on the Canadian plains.

It's indicated each of the huge wells, if flowed openly, would yield 1.5 billion cu. ft. of gas a day. In each case, that's enough to supply both the **Trans-Canada Pipe Line**, the **Westcoast Transmission** line — the big-inch line to Vancouver and the U. S. on the West Coast — and still have a fair volume left for export.

Estimates by some geologists are that, all told, between four trillion and five trillion cubic feet of gas have been added to B. C.'s reserves by work in the past 12 months. This figure will have to be re-examined in the spring, when the season's main drilling period is ended.

The Peace River district— or northeast corner of the province — is the centre of B. C.'s oil-gas activity. The same great sedimentary basin which stretches from the Gulf of Mexico, through the Dakotas, touches the southwest corner of Manitoba, some of south Saskatchewan and much of Alberta, also cuts across the corner of northeast B. C., into the Yukon and on to the Arctic ocean.

But other scattered areas throughout B. C. are considered potential petroleum ground, and have not been overlooked by the oil searchers.

In recent years, five test holes have been drilled on the Queen Charlotte Islands, off the northern coast, two or three have been drilled in the Fraser Valley, east of Vancouver, and one was put down on the Gulf Islands, which lie between Vancouver and Vancouver Island. All were dry holes.

Richfield, an American major, is a big "wildcatter" in B. C. It figured prominently in the Queen Charlotte drilling, shared in a deep test south of the Peace River district where tremendous underground pressures were encountered.

Recently Richfield completed assembly of more than 200,000 acres in the Fraser Valley (almost half the valley, which is largely agricultural and considered to be Vancouver's 'breadbasket') and it plans a major search there.

This search will extend as far south as the U. S. border. Sharing in this work will be **Van Tor Oils** and **Explorations Ltd., Royal Canadian Ventures Ltd., Peace River Petroleums Ltd., Richwell Petroleums Ltd., Delta Oil and Gas Co., Big Horn Petroleums Ltd., Gulf Developments Ltd.**, and private individuals.

Consolidated Mic Mac Oils, Canadian Homestead Oils and **Alscope Explorations Ltd.** shared with Richfield in the QCI work.

Pan American Petroleums is a major explorer on the West Coast. The acreage it had under permit earlier this year was as great as that of the province of New Brunswick, and ranged from the hot northeast corner of B. C., into the Yukon and Northwest Territories.

As well, it has substantial acreage north and west of Prince George, which is wildcat country.

The Gulf Islands drilling is a venture of **Imperial Oil** — also a major in the Peace River district discoveries — **California Standard, Pacific Petroleums, Charter Oil** and **Canadian Collieries Resources.**

Considerable acreage has also been taken under permit, for future work, in the Cariboo district south of Prince George, on Vancouver Island, and in the extreme southeast corner of the province, near Fernie, a coal producing region.

Provincial government revenues from oil and gas in 1958 were $9,472,220.

Two oil-gas land auctions to date this year have already poured $7,275,000 into provincial coffers. To this figure, however, must be added at year's end a variety of other revenue items, including royalties, lease fees, and rentals, for example. Another government auction will be held in December, further increasing the B. C. government's take—and obviously pushing it well over the 1958 level.

The most recent auction, in August, was revealing:

The government put on the block the smallest acreage it has yet offered — 426,895 acres—but received a record sum of $4,725,000. About 40 representatives of 50 companies placed 172 bids, Imperial and **Shell** making the highest bids.

Acreage in three regions — Boundary Lake, Milligan Creek and Kotcho Lake — drew most attention.

Boundary Lake is an established oil and gas field, and is rapidly becoming one of the largest oil fields in Canada in terms of size. Milligan Creek is another established B. C. oil field. The heavy bidding for the Kotcho acreage surprised no one.

British Columbia had 46,432,821 acres out to permit at the end of September.

Some production statistics:

Crude oil production in August was 54,534 bbl., and gross value of crude oil sales in that month was $95,578.

About half of the wells are shut-in temporarily for lack of market or lack of pipeline connection to market. The January - to - August worth was $962,629.

Natural gas production in the same month totalled 5,261,899 MCF, and gross value of sales to producers was $320,106. The eight months' value was $2,986,473.

The provincial government is now considering construction of a new road from Fort Nelson, the B. C. community closest to Kotcho and Petitot, due north to Fort Simpson in the Northwest Territories to facilitate the oil-gas search. Fort Nelson is about 650 mi. north of Vancouver, and the proposed all-weather road would be 300 mi. to 400 mi. in length.

BRITISH AMERICAN
BANK NOTE COMPANY
LIMITED

SECURITY PRINTERS

BANK NOTES • BONDS • DEBENTURES
STOCK CERTIFICATES • STAMPS • CHEQUES
AND MONETARY DOCUMENTS OF ALL KINDS

ENGRAVED SECURITIES SUITABLE FOR
LISTING ON ALL STOCK EXCHANGES

HEAD OFFICE
OTTAWA, CANADA

BRANCH
MONTREAL, QUEBEC

BRANCH
TORONTO, ONTARIO

Consolidated West Petroleum Limited

Largest Producer of Natural Gas on Lake Erie,

PRODUCTION OVER 2 BILLION CU. FT. FROM LAKE ERIE WELLS IN 1958.

Underwater Gas Developers Limited

(85% Owned by Consolidated West Petroleum Limited)

LARGEST DRILLING AND PIPELINE CONTRACTOR ON LAKE ERIE

HEAD OFFICE
2245 Yonge St., Toronto

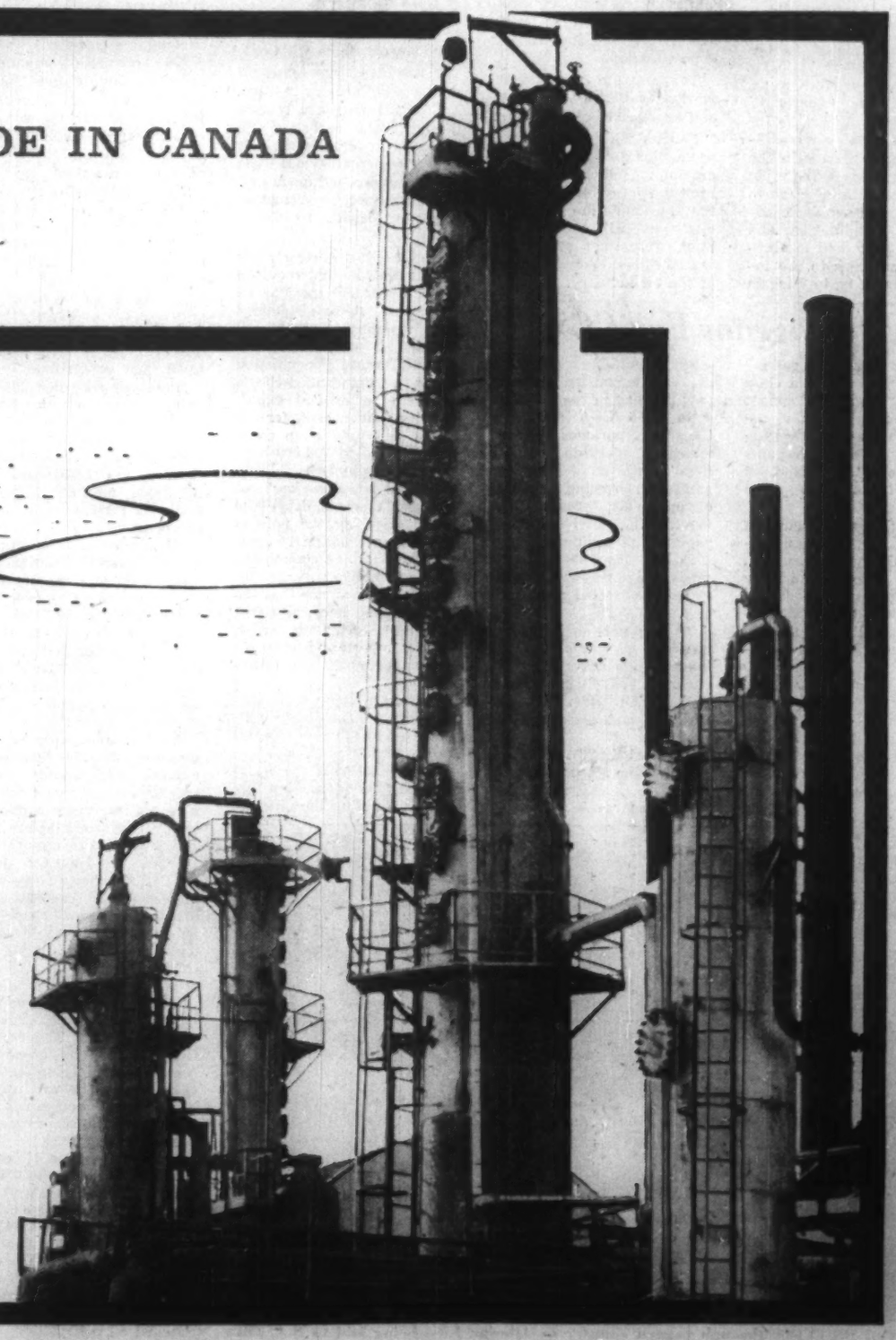
Presently Operating 8 Portable Drilling Platforms on Lake Erie

FIELD OFFICE
Port Alma, Ontario.

OUT OF THE RICHEST "BLACK" CRUDE IN CANADA
A WEALTH OF MODERN PRODUCTS

- Premium Quality Natural Road Asphalt
- All Grades of Manufactured Road Asphalts
- Granulex for Pipelines
- Pipeline Enamel 239
- Roofing Materials
- Binding Agents for Fibre Board
- Asphalt Planking Materials
- By-Products for Ink Oils, Coal Sprays & Wood Preservatives
- Domestic & Commercial Fuel Oils

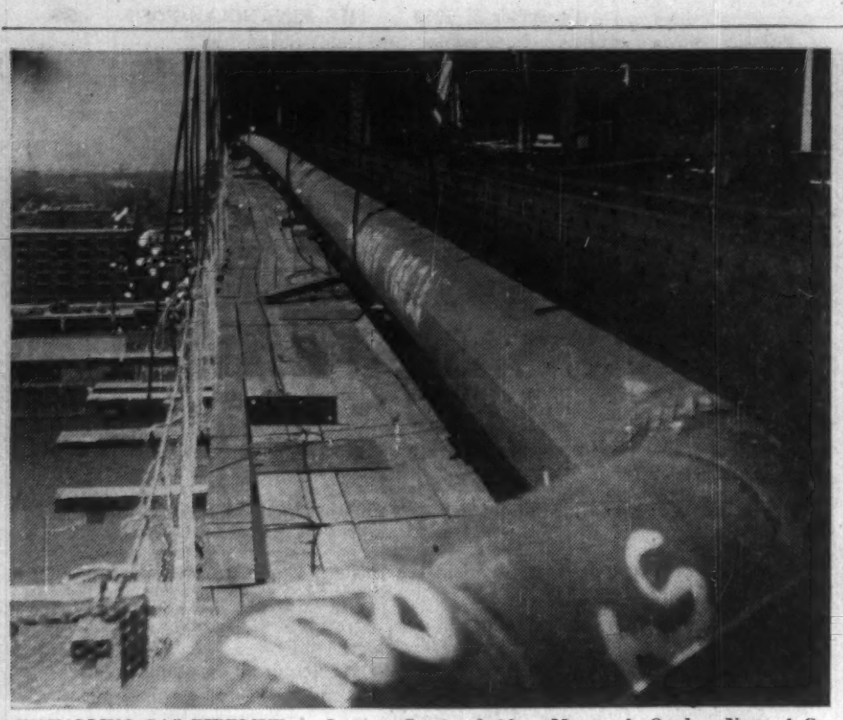
PAVING ASPHALTS—Premium quality *natural* asphalt refined from asphalt base crudes produced at Lloydminster has proven itself superior by outlasting other asphalts under the most extreme conditions of wear and weather. And Canadian Kodiak *manufactures* all grades of paving asphalts including emulsions to various specifications for use in highway construction.



CANADIAN KODIAK REFINERIES LTD.

Head Office: Edmonton, Alberta
Refinery: Lloydminster, Alberta-Saskatchewan
Plants: Winnipeg & The Pas, Manitoba—Brantford, Ontario

FIRM HANDS ON THE PRESENT— DISCERNING EYES ON THE FUTURE



INSTALLING GAS PIPELINE on Jacques Cartier bridge, Montreal. Quebec Natural Gas has now brought gas service to South Shore area.

Push for Oil in Gaspe

Oil and gas exploration continues doggedly on in the St. Lawrence Valley and Gaspé areas of Quebec and in the Maritime Provinces.

In some of these Eastern Canadian districts there has been sporadic interest — and work — for many decades. And all with very little commercial result.

However work of various kinds has continued this year — in the valley lowlands, Gaspé, New Brunswick and in Nova Scotia (Cape Breton and Sable Island).

The incentive to find oil and gas is great. Any discoveries in Quebec or the Atlantic Provinces would be adjacent to markets now served from great distances. In the case of gas, many regions aren't served at all.

Interest for the immediate future is likely to centre on the Gaspé, possibly also in one or two areas of the lowlands, in Cape Breton and Sable Island.

So far in 1959, 10,708 ft. of drilling has been done in six holes in Quebec. One of the drilling projects was in Gaspé, the other five in the Lowlands. No new discoveries — in large quantities — were made, although gas was found in several of the holes.

At this time last year there had been 21,200 ft. of drilling in 13 holes. The total in 1957 — at the height of the Lowlands play—was even higher.

Speculation about the Gaspé quickened this year when one of Canada's largest integrated oil companies, **British American Oil Co.,** acquired a million-acre reservation. BA has been doing field work on the reservation.

The property just north of BA is held by **Associated Developments Ltd.,** which also has areas south of BA and on Anticosti Island in the nearby Gulf of St. Lawrence.

Associated reports that it made a farmout deal with **Imperial Oil Ltd.** covering 300,000 acres in Gaspé. Latter is expected to do some work on the property next year.

At the Bald Mountain No. 2 well (**Bald Mountain Oil Co.,** like Associated, is a subsidiary of **Gaspé Oil Ventures Ltd.**)company says drill went to about 6,700 feet with work scheduled to resume next spring. Meanwhile Associated plans a well near the village of Gaspé, in a district where there have been oil showings since 1896.

Paul Payette, president and General manager of Gaspé Oil Ventures, says it is planned to "fuse together" the various companies of his group (Gaspé, Associated, Bald Mountain, **Quebec Oil Development Ltd., Tar Point Oil Co.**). It's hoped that the various concessions held also will be consolidated.

Payette says that since the appearance of BA in the Gaspé there has been renewed interest, that a number of other companies are looking at the area.

Elsewhere in Quebec, Bald Mountain has been a factor in the Lowlands.

Its Batiscan No. 1 gas well —which caused a stir in 1957 — when opened shows flow up to five million cubic feet daily, says the company, but volume quickly drops. Bald Mountain says it plans another well near Batiscan, which is close to Trois-Rivieres.

Also in the Lowlands, Imperial says results of exploratory drilling (six wells) have not been too encouraging. There were showings of oil.

Most recent well was a farmout from **Seaway Gas and Oil Ltd.** and was abandoned as a dry hole recently. Imperial says it has no immediate further plans.

There's certainly no wild optimism about oil prospects in the Maritimes.

Nevertheless two things keep exploration men plugging away in a rather low-keyed search:

- **Discovery of substantial oil resources** would allow such newly found domestic oil to replace imports and pep up the embattled economy of the east coast provinces.
- **The signs are reasonably favorable.** New Brunswick for years has produced small quantities of oil. The geology of Nova Scotia (including Cape Breton Island), New Brunswick and Prince Edward Island is regarded as encouraging by oil-hunters.

A major project under way is Imperial Mabou No. 1, being drilled by Imperial Oil Co. in Cape Breton. By mid-November the hole had reached 2,511 feet.

Decision to move into Cape Breton followed abandonment during the Fall of Imperial **New Brunswick Oilfields** Port Elgin No. 1. Latter was the fifth wildcat drilled in New Brunswick by a big rig brought from Western Canada two years ago.

The New Brunswick wildcats were drilled to 2,768 ft., 3,794 ft., 3,501 ft., 6,592 ft. and 3,041 ft.

In 1958, Imperial had three dry holes on Prince Edward Island. They went to 9,741 ft., 4,622 ft. and 9,081 ft.

Another project on the move is one that catches public imagination.

At that graveyard for shipping, Sable Island — 180 mi. east of Halifax — **Mobil Oil of Canada Ltd.** is doing survey work on some 600,000 acres held under licence from Nova Scotia. Most of this area is 10 ft. to 60 ft. under water.

Geological studies indicate possible existence of a basin near the island with as much as 1,500 ft. of sedimentary deposits.

Interest in Atlantic coast oil goes back a long way.

About 100 years ago, some of North America's earliest wells were drilled near Moncton. These were abandoned, though the area was drilled with some success at the turn of the century.

There was a little drilling in Cape Breton — at seepage sites — in the last century and Imperial drilled in mainland Nova Scotia in 1930-31.

On Prince Edward Island during the last war **Island Development Co.** (owned by **Socony Vacuum Exploration Co.** and **Canadian Cities Service Petroleum Corp.**) put down an exploratory well to a depth of 14,700 ft.

This was an ocean test and until 1957 the deepest well ever drilled in Canada. Total cost: About $1 million.

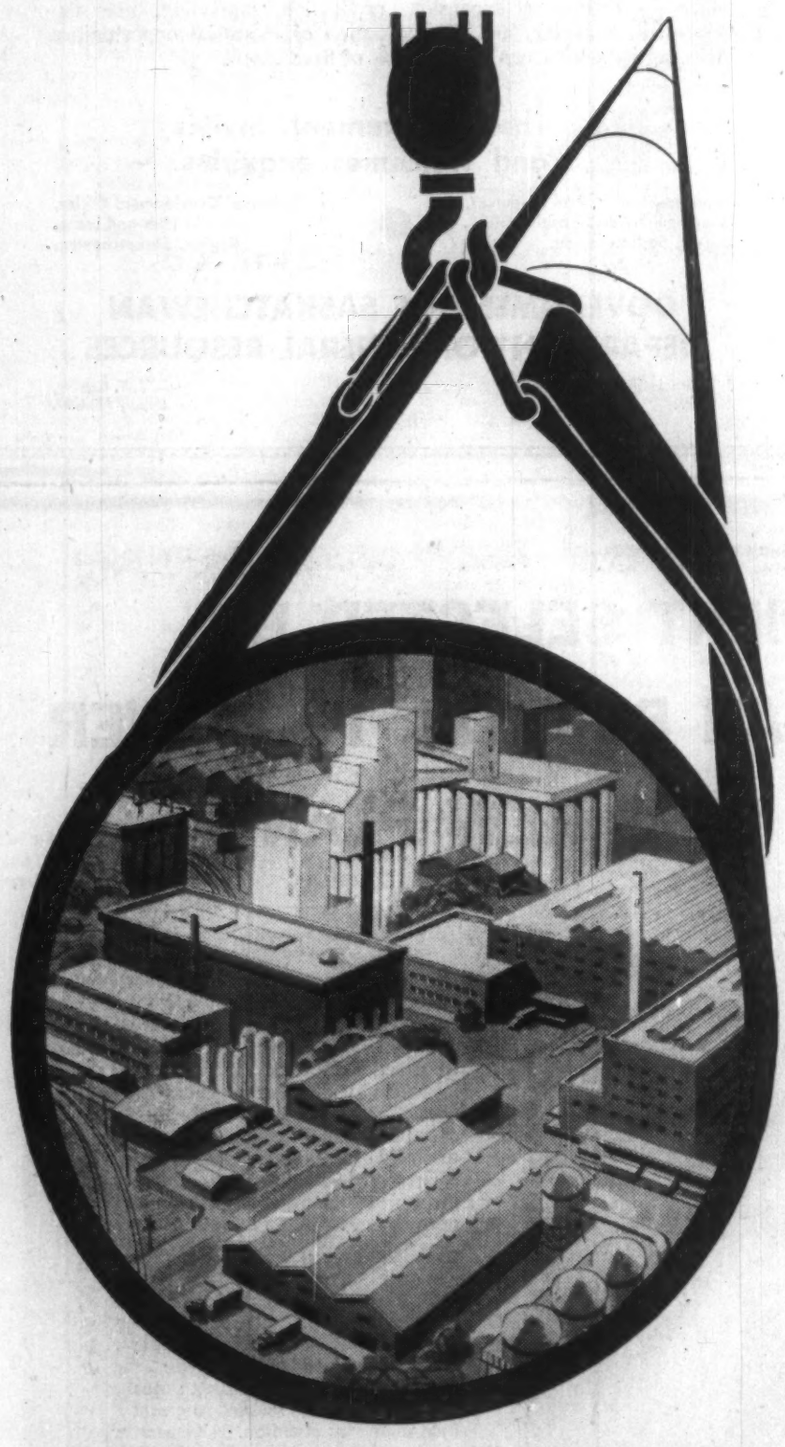
There has been periodic mild interest in oil and gas possibilities in Newfoundland. There are indications of both fuels on the west coast of the island. However, nothing commercial has been developed.

BOND DEALERS, STOCKBROKERS, UNDERWRITERS

OSLER, HAMMOND & NANTON Limited

Serving Canadian Investors Since 1883

TORONTO, WINNIPEG, REGINA, SASKATOON, CALGARY, EDMONTON, VANCOUVER



We're laying pipe to serve industry

Southwestern Ontario is one of the fastest-growing industrial centres in our nation. Astute businessmen agree that unparalleled opportunities exist for industry in this, the heartland of Canada.

As Southwestern Ontario has grown . . . so has Union Gas. The Company has taken the initiative in making Natural Gas available for countless, varied industrial uses . . . in established markets and in many new markets.

In practically every instance where industry requires a clean, controllable, economical fuel for processing, Natural Gas has proved itself best. Because of this, literally hundreds of Southwestern Ontario industries are relying on Natural Gas supplied by Union Gas.

For almost half a century, Union Gas has been providing its many customers with unsurpassed service. Your enquiries about the availability of Natural Gas in Southwestern Ontario will be welcomed.

UNION GAS COMPANY OF CANADA, LIMITED

Chatham, Ontario 9003

BUILDING TODAY... FOR 1980

Roll out the barrels

(1.3 Billion by 1980)

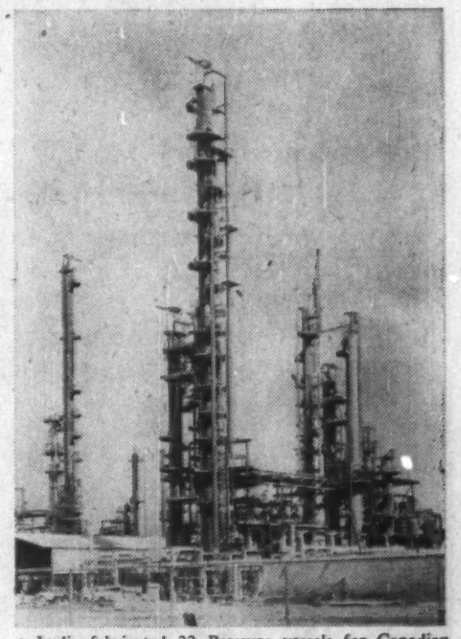
Did you know that Canadian oil production is now running at the rate of 200 million barrels a year? Yet the nation's output by 1980 will exceed six times present production and exports will probably net over one billion dollars per annum according to the Gordon Report. Serving the oil industry is one of many jobs Inglis does and does well. As designers, fabricators and consultants they have the skill and experience to carry projects from original design to field service.

PRESENT OIL PRODUCTION COMPARED TO 1980

1959 ■■

1980 ■■■■■■■■■■■■

Each unit = 100,000,000 Barrels.



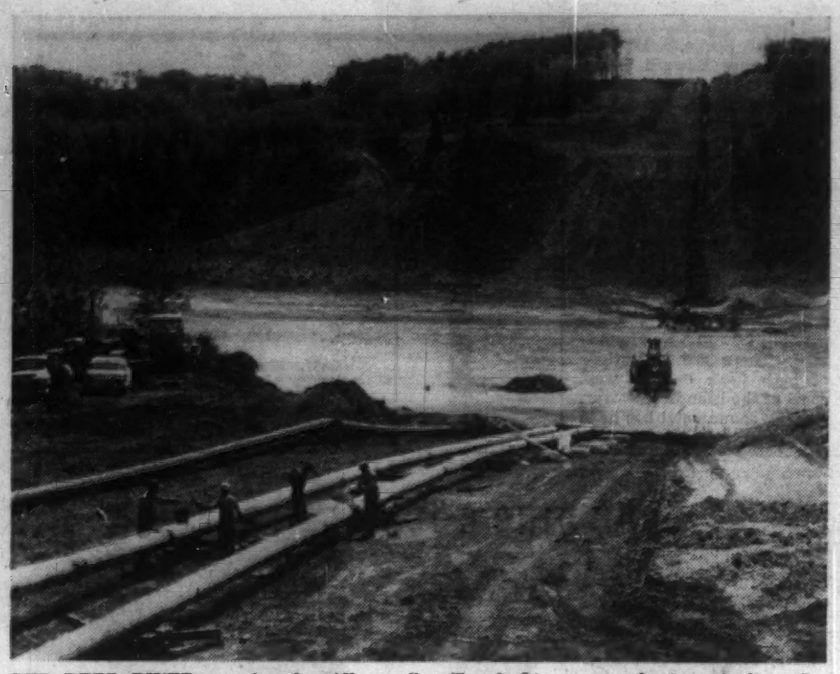
• Inglis fabricated 22 Pressure vessels for Canadian Bechtel Limited for erection at the Imperial Oil refinery at Sarnia, Ontario.

Inglis Refinery Vessels

Inglis and English Electric are members of the world-wide English Electric Group. Some of their products are:

- Boilers • Marine Turbines
- Pressure Vessels • Paper Machines
- Motors and Generators
- Transformers, Switchgear and Fusegear
- Hydraulic, Steam and Gas Turbines

JOHN INGLIS CO. LIMITED, TORONTO, MONTREAL, WINNIPEG, CALGARY, VANCOUVER



RED DEER RIVER crossing for Alberta Gas Trunk Line gas gathering pipeline. Gas export project will mean huge new expansion program for this country.

Alberta

Chalked Up Big Gains

Despite soft spots in the marketing picture, Alberta's oil and gas industry chalked up some impressive strides in the province's economy.

Here are the highlights:

- **Exploration and development,** estimated at $400 million, was on par with 1958. This year, Alberta oil fields produced their one billionth barrel of oil.
- **Emphasis continues on gas production** with "firming up" of reserves more evident in northwest, central and southeast parts of the province. Firms spent an estimated $25 million on gas processing plants in addition to millions on development.
- **Liquid petroleum gas production** jumped to 4.1 million bbl. compared to 2.7 million bbl. in 1958. The Canadian Petroleum Association estimates sulphur production will total 197,000 short tons in 1959 compared with 122,326 short tons last year.
- **The big oil play continues** in northern Alberta and while the spotlight is on Swan Hills, watch for further drilling activity in Edith Lake, Judy Creek, Simonette and Lobstick fields to the south, and Virginia Hills and Whitecourt to the southwest. Swan Hills is about 130 mi. north of Edmonton.
- **The province's production potential** is 834,000 b/d up 60,000 b/d from 1958 according to the Alberta Oil and Gas Conservation Board. Oil reserves are estimated at 3 billion bbl. with gas reserves as high as 25 trillion cu. ft.

Current average oil production rate: 350,000 b/d. Current monthly average gas production rate: 25 billion cu. ft.

Exploratory and development drilling continues to keep pace with last year. At present there are more development rigs working than at any time during 1959. Stepped-up drilling activity in the muskeg country of the north will help match the total footage drilled in 1958.

Comparative nine - month figures by the Conservation Board, show the total footage will approximate the 6,265,310 ft. of hole drilled in 1958.

During this period there were 1,171 initial well completions (all types) compared to 1,226 completions in 1958. This includes 336 dry holes, about the same number as last year.

Here's the breakdown of oil and gas producing wells drilled and respective footage this year as given by CPA (1958 figures in brackets):

	Oil	Footage '000	Gas	Footage '000
Exploratory	60 (58)	444 (360.5)	70 (84)	455 (316.6)
Development	675 (812)	3,915 (4,577)	150 (84)	547.5 (270.6)

The push for oil continues in Swan Hills area where **Home Oil** and partners drilled 39 wells, including 26 this year. At least 30 more wells are planned for 1960.

Speculation indicates Swan Hills may become Canada's largest oilfield with more than a billion barrels of primary recoverable oil. Primary recoverable reserves are estimated at 308 million bbl. now.

Pipeline shipment from this area to Edmonton through a 115-mi. line is currently running at 8,000 b/d, putting Swan Hills among the top dozen oil fields in the province.

Home Oil, **French Petroleum Co.** and others have also struck a producer in Morse River, 4 mi. south of Swan Hills.

Eight miles south of this area, **Imperial Oil Ltd.** hit discovery wells in Judy Creek.

The **Pan American Oil Corp.-B.A.** team which together paid $8.5 million for oil rights in eight tracts near Swan Hills plans an extensive drilling program this year. The same team drew a gusher in Sarah Lake, 15 mi. west of Virginia Hills.

Next year watch for further discovery wells in Lobstick field, some 3 mi. north of Pembina field. This year, a team of Pan American, **Texaco Exploration** and **Pacific Petroleums Ltd.** hit a well with an initial potential of 879 b/d of 37 gravity oil.

While step-out drilling shows promise of more oil finds in other parts of Alberta, anticipations are that further progress may be made to find means to tap the oil sands of the McMurray region, 300 mi. north of Edmonton.

A proposed atomic blast still requires governmental approval but officials of **Richfield Oil Corp.** and **Cities Service** say studies are continuing on the economic feasibility of getting the oil out of the sands.

Another company that is carrying on extensive tests in the McMurray area is **Shell Oil Co. of Canada.**

Reserve estimates in the area range from 100 billion to 300 billion bbl.

There's mixed reaction to the Borden Commission's second report requesting that 700,000 b/d of Canadian crude be marketed by 1960.

"Sure we can do it," says one independent oil operator, "but we need some co-operation from the major oil operators. If the big majors displace foreign crude with Alberta crude in Eastern Canada' we'd be away."

Officials representing the majors admit it could be done but it would take longer than 12 months. They forecast an increase in Alberta crude output. "But nothing like 500,000 b/d," said one top official.

And while the oil export picture is not too bright at the moment, there's optimism on gas export.

Operators look for a quick approval of **Trans-Canada's** application to export natural gas to the U.S. They also see approval of export permits for **Alberta & Southern Natural Gas** and **Westcoast Transmission Cos.** application to sell some 4.5 trillion cu. ft. of gas in the U. S. during the next 25 years.

This optimism has been reflected in the increased emphasis on gas exploration and production.

Here are some significant gas finds:

- **Wildcat Hills,** 35 mi. northwest of Calgary: Two wells drilled by Imperial Oil and **Western Leaseholds** indicate a combine potential of 27 million cu. ft. daily.
- **Jenner,** 100 mi. southeast of Calgary: A gas strike in this area by **Canadian Petrofina Ltd.** and **Dynamic Petroleum Products Ltd.** indicates a yield of 15 million cu. ft. daily.
- **Calgary:** Western Leaseholds, **Calvan Consolidated Oil & Gas** and four other firms brought a gas well in early in November 5 mi. north of Calgary. Flow estimate: 8 million cu. ft. daily. Earlier **Devon-Palmer** and

(Continued on page 57)

oil exploration pays off in **SASKATCHEWAN**

Comparable producing horizons are shallow — giving low cost production.

Ease of access to all drilling sites — communications and transportation are good.

Ready access and shorter haul to the Eastern Canadian and midwest United States' markets.

Assured market for natural gas.

Petroleum and Natural Gas leases may be acquired on standard or 50% net royalty basis, permitting a broad base for competition irrespective of the size of the company.

The Department of Mineral Resources maintains, available to industry:

- A continuous research program.
- Geological and engineering reports.
- A comprehensive Schedule of Wells and a Statistical Year Book.
- Reservoir maps on every producing pool.

A Geological Laboratory at Regina — a scientific library of cores, drill cuttings and logs from all wells — adequate accommodation for company geologists.

Services of the Saskatchewan Government's Industrial Development Office — embracing expansion, production, marketing, new development, financing, and the evaluation of industrial opportunities including industrial loans up to 50% of fixed assets.

The Government invites and welcomes enquiries.

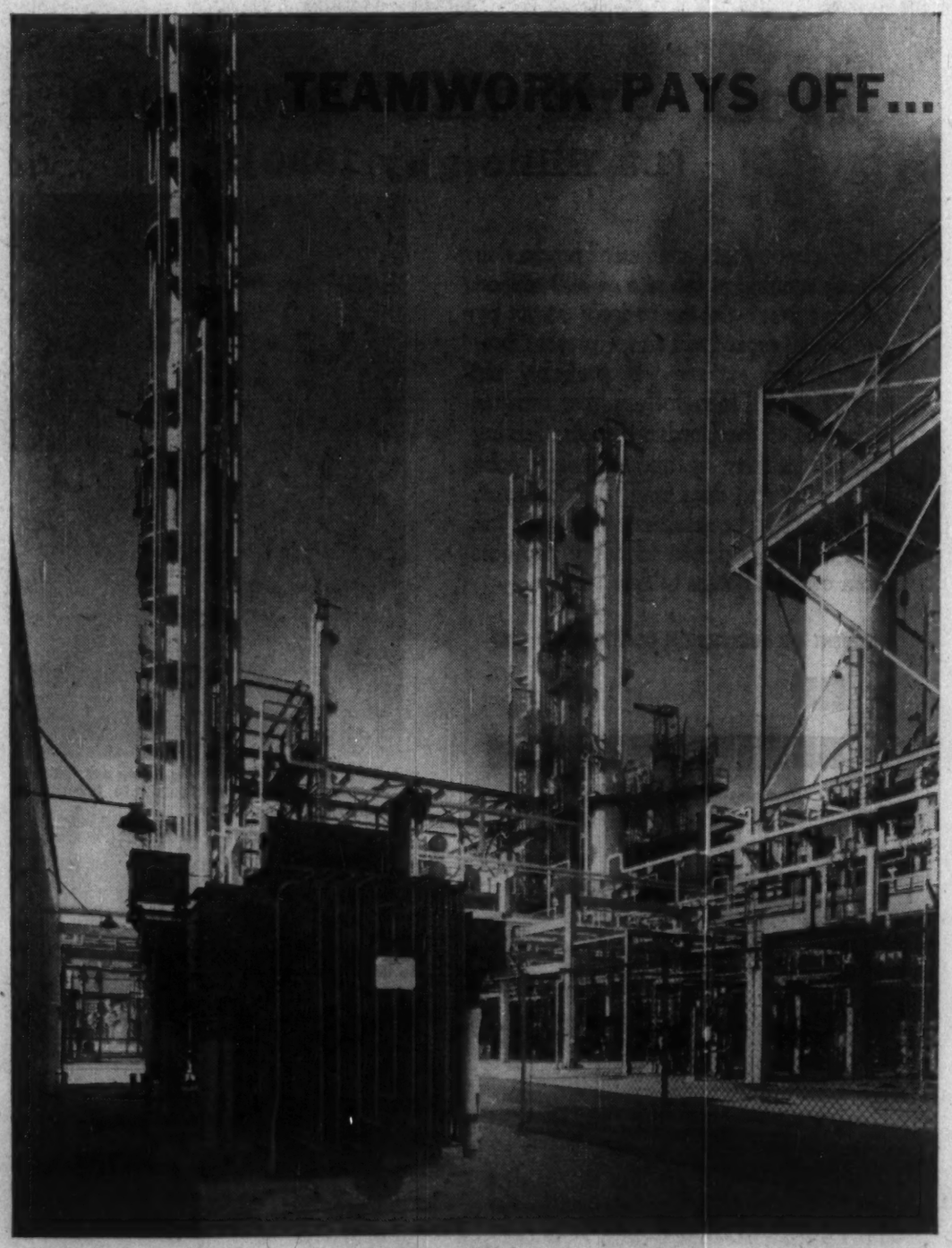
Department of Mineral Resources, Government Administration Bldg., Regina, Saskatchewan.

Industrial Development Office, 12th and Lorne, Regina, Saskatchewan.

GOVERNMENT OF SASKATCHEWAN
DEPARTMENT OF MINERAL RESOURCES

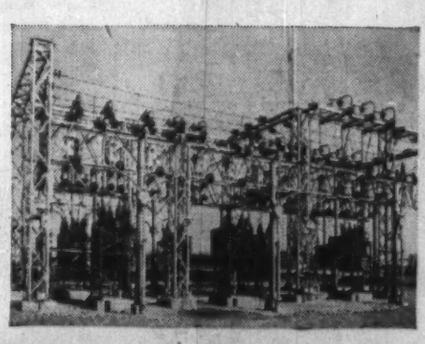
J. H. Brockelbank, *Minister.*

J. T. Cawley, *Deputy Minister.*

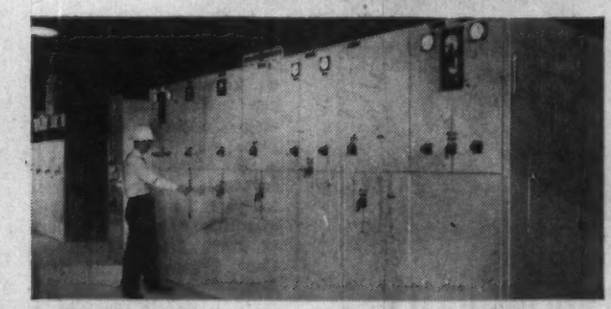


Against the backdrop of the fractionating towers and cracking units of Imperial Oil's new petrochemical plant at Sarnia are shown three G-E Oil-filled Power Transformers. Spotted throughout the plant are other transformers, all designed and built by Canadian General Electric. The transformer in foreground feeds the process substation switchgear housed in the building at left.

G-E EQUIPMENT SELECTED BY CANADIAN BECHTEL TO POWER IMPERIAL OIL'S NEW PLANT



This main outdoor substation was completely designed by C.G.E. It terminates two overhead power lines. Feeder breakers can be bypassed to permit servicing without shutdown.



From this high-voltage G-E Duplex Switchboard, operators can control the breakers in the main outdoor substation. This space-saving configuration with a central walk-in tunnel provides easy access for inspection and maintenance of the meters, instruments and protective relays mounted on the front and rear panels.

The 480 volt G-E Switchboard in right foreground is an important concentration of circuit breakers and relays which control the supply of power to the plant's process services. The main G-E Motor Control Center shown at left is typical of many such units throughout the plant.

In 1956, Imperial Oil Ltd. was faced with the problem of erecting a complex petrochemical plant within a *short two-year period.* This posed a massive and challenging problem in engineering, construction know-how, servicing and logistics. Canadian Bechtel Limited—selected as engineer and constructor—chose Canadian General Electric to provide all the electric power supply equipment. Located at Sarnia, Ontario, the new petrochemical plant began operating . . . right on schedule.

Canadian General Electric more than met its commitments on this contract. Basic pieces of equipment, such as transformers, were on the site in a matter of weeks, supplying the power needed for construction purposes. The contract was given project status and personnel were selected to give it their undivided attention. The customer was kept informed of the overall supply picture by regular, comprehensive, monthly progress reports which eliminated the need for a large expediting and liaison staff.

Every piece of G-E Equipment you buy is sold in terms of time and space as well as performance and quality. Only by giving careful attention to all four factors can Canadian General Electric complete such large, complex contracts on time. This four-way service is readily available to everyone. Contact your nearest C-G-E Sales Office or write: Apparatus Dept., Canadian General Electric Co. Ltd., Peterborough, Ontario.

GENERAL ELECTRIC **EQUIPMENT**

AAD-9304-53801-R1

APPARATUS DEPARTMENT

CANADIAN GENERAL ELECTRIC COMPANY LIMITED

Northern Hunt

Oil Companies Gamble

The oil potential of Canada's northern regions including the Arctic islands has sparked the latest burst of enthusiasm in Canadian oil circles.

Potential of the area, with its huge thicknesses of sedimentary strata and an apparent abundance of oil traps, has given the oil men an exciting diversion from their current marketing problems.

Interest in the remote region is sparking bold new plans by the oil men and the government. It gives them a chance to get their teeth into some exploration problems which are completely new.

The gamble is considered enormous by many people.

Huge pools of oil must be found to make the area pay off. Transportation problems will have to be overcome if the oil is to reach world markets. These are only some of the problems. But the industry hasn't started to worry about them yet.

Exploration is only just getting off the ground floor. And it is expected to take from 10 to 15 years to make the area a vital oil province. By then the industry sees ample markets for the potential crude output — despite mounting discoveries in more accessible regions of the world.

Here is what has already happened:

- **Applications for exploration permits have been filed on nearly 200 million acres** in the Northwest Territories, Yukon, and Arctic islands.
- **Preliminary investigations of permit blocks have already been made by some companies.** Many companies plan more extensive work next year and some have already sent supplies into the area.
- In mid-summer the first discovery of gas and oil in the Yukon was made when a well drilled by **Western Minerals** tapped pools below 4,000 ft.
- By the end of the year Canada's northernmost well will have been started. The test, to be drilled by **Richfield Oil Corp.** is north of the Arctic circle and only 180 miles south of the Arctic Ocean.

Work in the area has been gradually gaining momentum since the first exploration permits were granted back in the early 1950s. But the real spurt turned up in the last two years.

There is still a big stumbling block slowing the pace of development. Ottawa has not yet come up with regulations governing work in the area. And if they don't come soon another season could be lost.

It takes months of advance planning to get crews into the area. Unless the companies know the rules by the end of January it is unlikely that a full-scale probe would get under way next year.

Ottawa has indicated that it is about ready to outline the regulations. They are expected to be liberal. Discussions have been held with the industry and it is believed that most of the differences have been resolved. An example: Ottawa wanted the exploration results released within two years. The industry fought for, and apparently won, a five-year period.

This year two companies were active in the Arctic, **Round Valley Oil Co.**, a subsidiary of the British-backed **Lobitos Oilfields Canada Ltd.**, and **Dominion Explorers Ltd.**, a Toronto-based firm.

Next year, if regulations come out in time, pace of activity is expected to quicken. Many of the 13 applicants for permits would likely take to the field, although they are reluctant to reveal plans.

Key to the development of the northern region is low cost.

That is where large pools and radical new transportation systems will play their part. Suggestions that atomic submarine tankers, vertical take-off aircraft, and the new hovering-type vehicles may provide some of the answers to transportation are heard frequently.

And Ottawa is expected to play a big part in keeping costs down. Here are some of the factors that Ottawa thinks will help trim costs:

- **New concepts of co-operation** in the oil industry.
- **Wider drill spacing so that a minimum number of wells** would provide adequate drainage of an area.
- **Keep land costs low in the region.** Low rental payments and large lease blocks would help.
- **Government assistance in road construction,** communications, and marine transportation systems.

Ottawa is also reported looking for ways to ensure adequate Canadian participation in the growth of the area. With the exception of the Arctic islands, Canadian companies are being forced out of the play because of lack of funds.

Already this year a rash of land swaps has put American companies in control of many promising large blocks.

Glacier Explorers turned over most of its three million acres in the Peel Plateau area of the NWT to **Atlantic Refining.** And more recently **Scurry-Rainbow Oil** farmed out 3½ million acres to **Richfield Oil Corp.** More deals are expected as interest in the area mounts.

As the exploration crews move northward, they encounter a new complex set of technical problems. But many of the more severe proolems encountered in northern Alberta and the NWT disappear.

Instead of vast regions of muskeg, which makes transportation difficult and limits most exploration work to the winter season, crews find it an easy matter to move over the extensive areas of barren rock exposure. And because the terrain is fairly level mobility is simplified.

Daylight, which lasts for 24 hours a day during the summer months, means that additional hours of work are available. The working season is expected to last for nearly six months from April to October.

However the region north of the Arctic circle also presents its own problems:

- **Transportation of men and supplies** into the area is costly. Water freight rate to Resolute Bay this year was $90 a ton. This means that gasoline costs 75c a gallon and diesel fuel runs to 75c a gallon.
- **Storage of equipment over the winter months** is costly and difficult.

Severe windstorms with velocities frequently climbing close to 100 mph are a hazard.

- **Permafrost, which ranges to 2,000 ft. in depth** plays tricks with the shock waves that are the basis of seismic surveys. New methods of interpretation will have to be developed.

The few companies that have ventured into the region so far have been quick to adopt new techniques.

Dominion Explorers, which carried out a preliminary study on the Arctic islands this summer for a group of companies, adopted the government-developed method of air transportation.

Small conventional aircraft are equipped with oversized and underinflated tires. So equipped, these planes can land almost anywhere in the Arctic. Dominion made 500 successful landings this year without an incident.

Western Minerals, in drilling its discovery well in the Yukon, discovered that it had to adopt the paradoxical technique of keeping the permafrost frozen. The well was drilled during the summer months when, if permitted, the top layers melt and become a swampy mess, unable to support weight.

To support the 1,000 tons of drilling equipment, the company had to insulate the ground from the heat of the sun and the drilling equipment.

The Arctic region also presents a challenge to the geologists. The area is not a continuation of the central plains region of the mainland, but is an entirely new province with its own features.

Sediments in the region are believed to range up to 50,000 ft. in thickness. Lack of vegetation has made preliminary investigations easier, and the searches have turned up large-scale structural traps to be present even at surface.

One geologist has estimated that there may be 100 billion bbl. of oil in Arctic basin alone, and it is this potential that is luring the oil industry into the area.

Alberta Chalked Up Gains Despite the Soft Market

(CONTINUED FROM P. 56)

Texas Gulf Sulphur announced a sour gas discovery in East Calgary field.

- **Enchant:** Home Oil, **Alminex Ltd.** and **Kern County Land Co.** hit a new strike in the Elkton section of the Mississippian formation. The flow rate yielded 4.4 million cu. ft. daily.

The well is located northeast of Lethbridge.

- **Big Horn,** near Medicine Hat: **B-H Petroleums (Alberta)** and team recorded a flow of natural gas at the rate of 4.2 million cu. ft. daily. Three more wells also proved to be commercial producers.
- **Dick Lake, 56** mi. south of Edmonton: A team of B.A., **California Standard, Phillips Petroleum** and **Husky Oil Co.** had a discovery well with absolute open flow potential of 1.2 billion cu. ft.

Other gas plays are centred in the Brazeau River (Imperial Oil); Cessford **(Canadian Kewanee Ltd.)**; Clear Hills, 300 mi. northwest of Edmonton (Shell Oil); Kaybob **(California Standard — B.A.)**; Nevis **(Bailey Selburn Oil & Gas Co.)** and other areas.

At present there are 1,000 capped gas wells in Alberta, most of them not expected to be opened up until 1962 when, it is hoped, more markets are available.

The emphasis on gas sales has spurted the building of gas processing plants which manufacture liquid hydrocarbons, sulphur as well as dry gas. Total expenditure this year is estimated at $25 million.

The biggest cost outlay was $8 million for a plant near Okotoks, 25 mi. south of Calgary and operated by **Texas Gulf Sulphur Co.** The wells which feed the plant are operated by Devon Palmer Oil Co.

Work on a $20 million plant near Calgary has already started by **Jefferson Lake Petrochemicals Ltd.**

California Standard opened a $3.6 million processing plant at North Nevis and $430,000 plant in the Princess field in Central Alberta.

B. A. completed expansions to its plants in Nevis, built in 1956, and at Pincher Creek at a cost of $5.5 million.

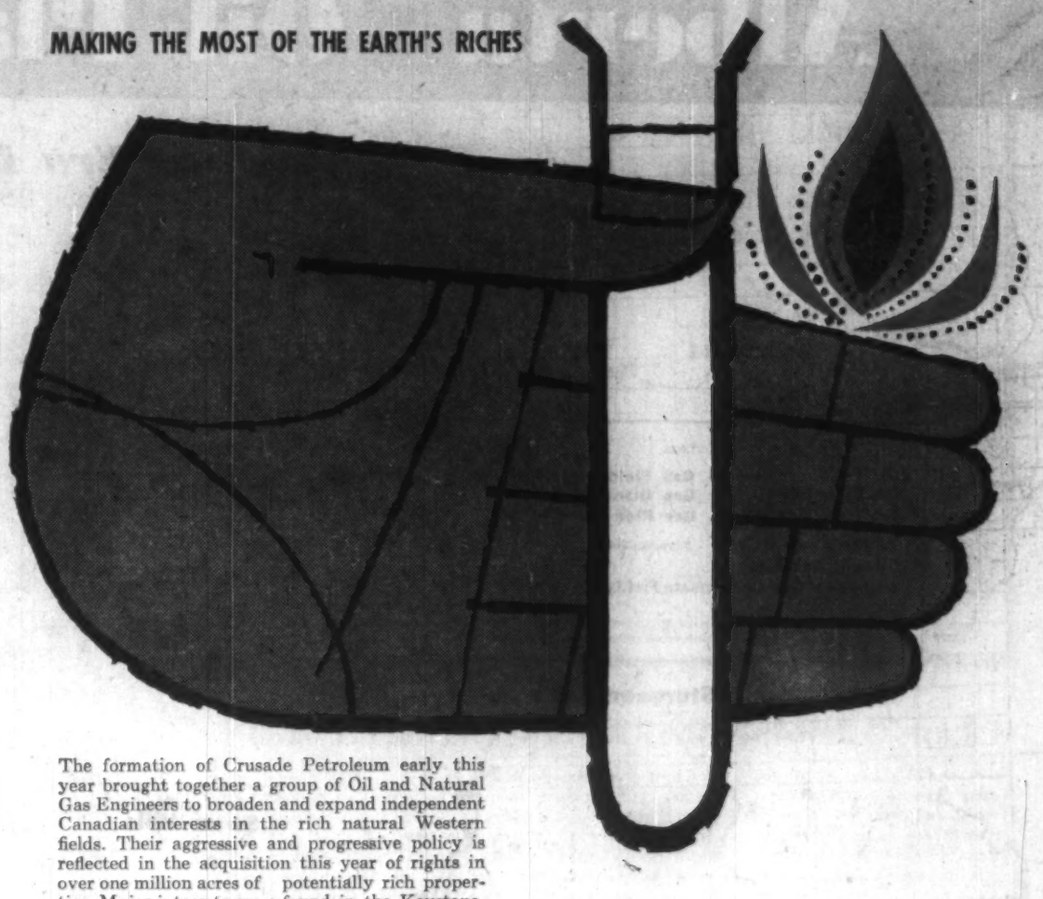
Hudson's Bay Oil & Gas Co. opened its $1.5 million plant at Cessford, about 150 mi. north and east of Calgary.

Home Oil's $3.5 million processing plant near Carstairs is expected to go on stream by next February.

Most of these plants are within proximity of **Alberta Gas Trunk Pipe Line** system, a provincial carrier.

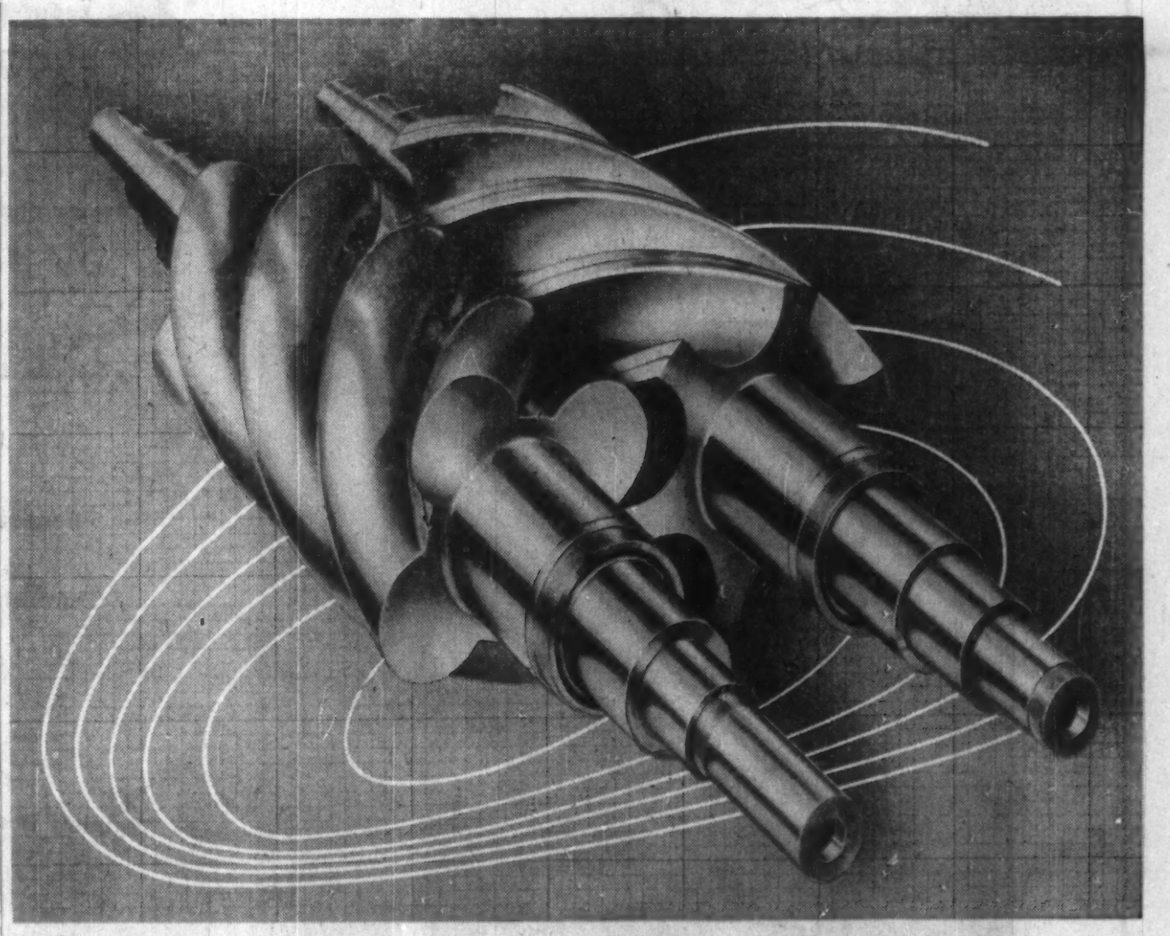
One significant highlight this year is the trend toward unitization, the pooling of several operators for a more economical operation and better ultimate recovery from wells in the field. This year fields like Acheson, Bentley and a portion of Campbell-Namao were placed on unit allowables (the operators divide the profits according to equities).

MAKING THE MOST OF THE EARTH'S RICHES



The formation of Crusade Petroleum early this year brought together a group of Oil and Natural Gas Engineers to broaden and expand independent Canadian interests in the rich natural Western fields. Their aggressive and progressive policy is reflected in the acquisition this year of rights in over one million acres of potentially rich properties. Major interests are found in the Keystone, Grassy Island Lake, Caribou Mountains, Senex Creek, Vermilion, Provost, Chin Lake, Oyen, Kananaskis, Lac La Biche, Peerless Lake, Wabaska and Saddle Lake areas.

Crusade Petroleum
Corporation Limited
1011-17TH AVENUE SOUTH WEST, CALGARY, ALBERTA



HOWDEN

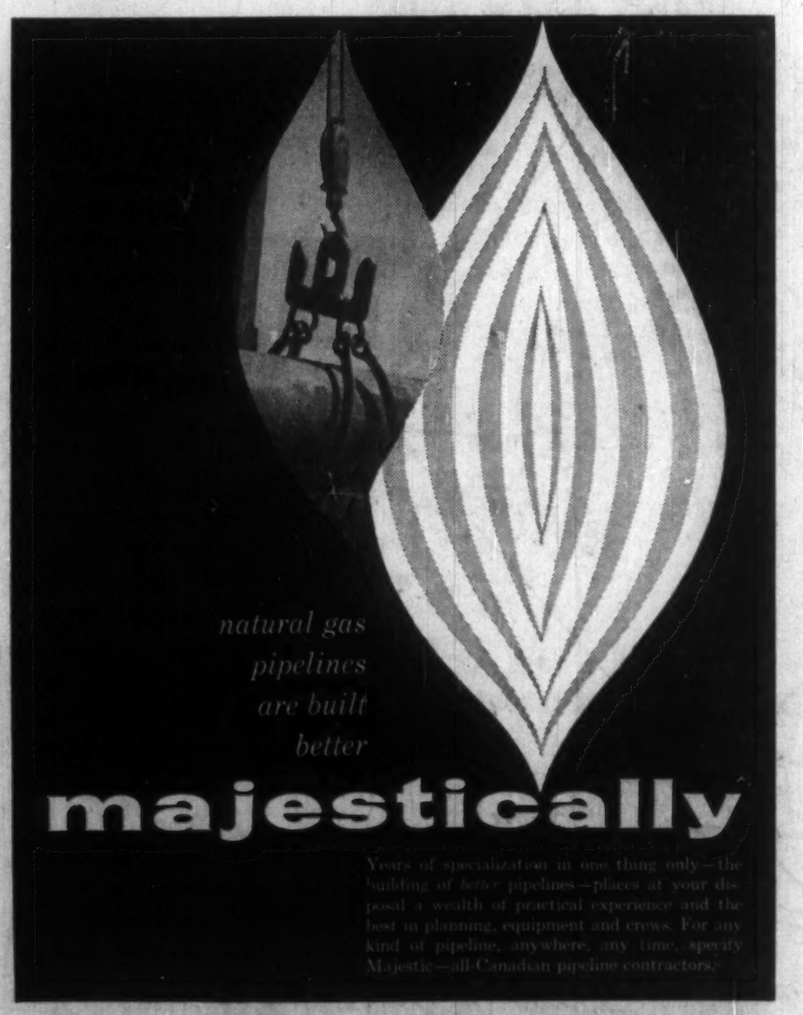
Leaders in engineering progress for over a century

Specialists in the design and manufacture of equipment for
MOVING • COMPRESSING • CLEANING • HEATING
Air and Gases

JAMES HOWDEN AND COMPANY OF CANADA LIMITED
VANCOUVER • CALGARY • TORONTO • MONTREAL
Head Office and Plant: 1510 Birchmount Road, Scarborough, Ontario

Illustrated: Rotors in the New Screw Compressor. These rotors pump at a compression ratio up to 5:1. There is no rubbing contact between rotors, or between rotors and housing — no wear and no oil in the compression chamber.

Ljungstrom Air Preheaters • Heat Exchangers
Electro Precipitators • Gas Washers
Fans & Blowers • Dust Collectors
Rotary Compressors • Turbines
Spark Arresters & Silencers

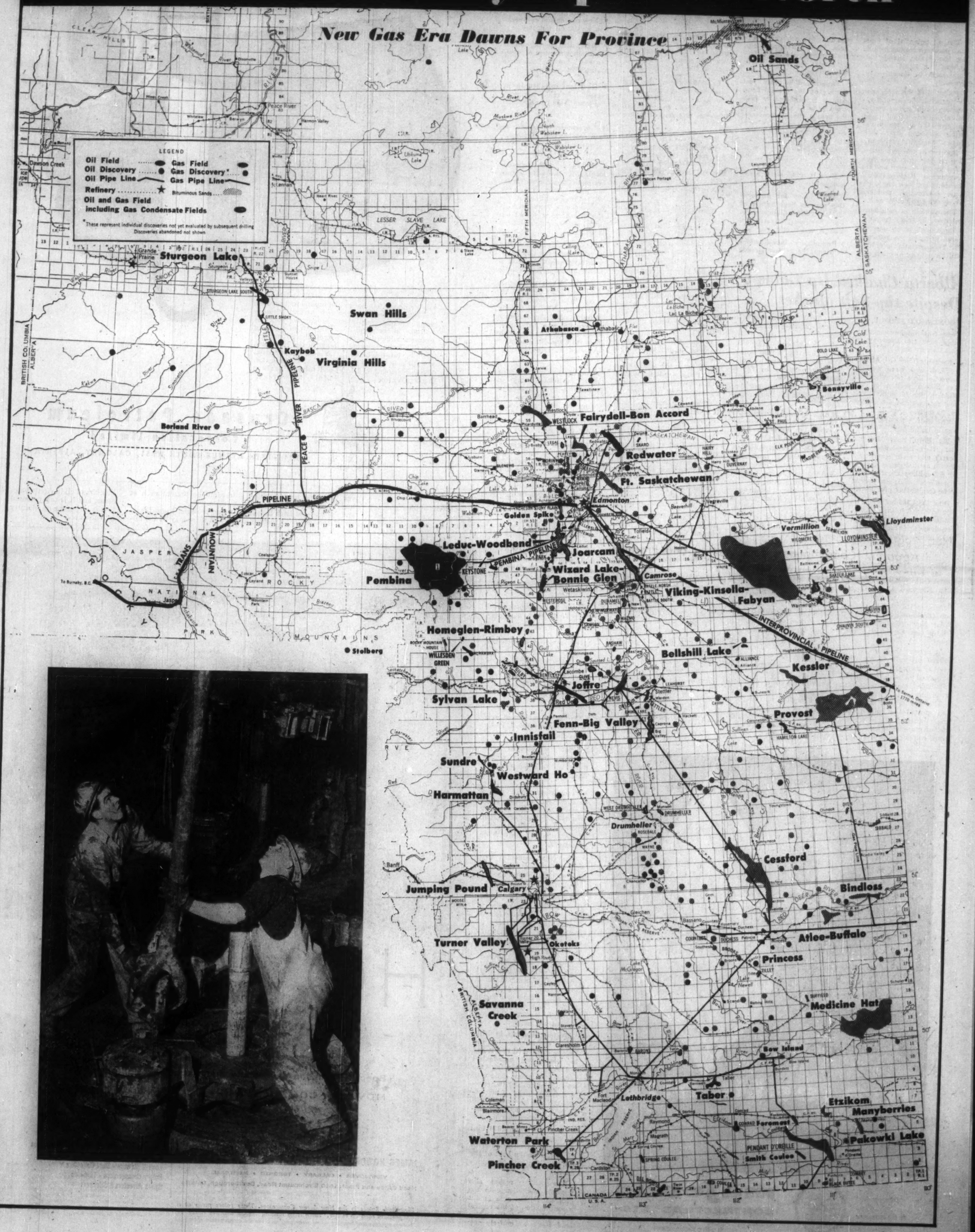


from the field direct to the consumer

majestic
CONTRACTORS LTD.
HEAD OFFICE: ROYAL TRUST BUILDING, EDMONTON, ALBERTA
EASTERN OFFICE: TORONTO, ONTARIO

Alberta—Oil Play Spreads North

New Gas Era Dawns For Province


LEGEND
Oil Field
Oil Discovery
Oil Pipe Line
Refinery
Gas Field
Gas Discovery*
Gas Pipe Line
Bituminous Sands
Oil and Gas Field including Gas Condensate Fields
*These represent individual discoveries not yet evaluated by subsequent drilling
Discoveries abandoned not shown
Oil Sands
Sturgeon Lake
Swan Hills
Kaybob
Virginia Hills
Berland River
Athabasca
Bonnyville
Fairydell-Bon Accord
Redwater
Ft. Saskatchewan
Edmonton
Golden Spike
Leduc-Woodbend
Joarcam
Wizard Lake-Bonnie Glen
Pembina
Camrose
Viking-Kinsella-Fabyan
Vermillion
Lloydminster
Homeglen-Rimbey
Bellshill Lake
Kessler
Joffre
Sylvan Lake
Fenn-Big Valley
Provost
Innisfail
Sundre
Westward Ho
Harmattan
Drumheller
Cessford
Jumping Pound
Calgary
Bindloss
Turner Valley
Okotoks
Atlee-Buffalo
Princess
Savanna Creek
Medicine Hat
Bow Island
Taber
Lethbridge
Etzikom Manyberries
Foremost
Pakowki Lake
Waterton Park
Pincher Creek
Smith Coulee
PIPELINE
PEMBINA PIPELINE
INTERPROVINCIAL PIPELINE
TRANS MOUNTAIN PIPELINE
Stolberg
Peace River
Dawson Creek
Grande Prairie
Fort St. John
Fort Nelson
Fort McMurray
Whitecourt
Edson
Hinton
Jasper
Athabasca
Slave Lake
Lesser Slave Lake
Lac La Biche
Cold Lake
Lloydminster
Medicine Hat
Lethbridge
Calgary
Edmonton
Red Deer
Drumheller
Camrose
Wainwright
Vermilion
Provost
Oyen
Consort
Coronation
Hanna
Three Hills
Olds
Didsbury
Innisfail
Sundre
Rocky Mountain House
Willesden Green
Banff
Canmore
Cochrane
Turner Valley
High River
Okotoks
Claresholm
Fort Macleod
Coleman
Blairmore
Pincher Creek
Waterton Park
Foremost
Bow Island
Taber
Redcliff
Suffield
Brooks
Tilley
Oyen
Consort
Coronation
Hanna
Three Hills
Olds
Didsbury
Innisfail
Sundre
Rocky Mountain House
Willesden Green
Banff
Canmore
Cochrane
Turner Valley
High River
Okotoks
Claresholm
Fort Macleod
Coleman
Blairmore
Pincher Creek
Waterton Park
Foremost
Bow Island
Taber
Redcliff
Suffield
Brooks
Tilley
Peace River
Whitecourt
Edson
Hinton
Jasper
Athabasca
Slave Lake
Lesser Slave Lake
Lac La Biche
Cold Lake
Lloydminster
Medicine Hat
Lethbridge
Calgary
Edmonton
Red Deer
Drumheller
Camrose
Wainwright
Vermilion
Provost
Oyen
Consort
Coronation
Hanna
Three Hills
Olds
Didsbury
Innisfail
Sundre
Rocky Mountain House
Willesden Green
Banff
Canmore
Cochrane
Turner Valley
High River
Okotoks
Claresholm
Fort Macleod
Coleman
Blairmore
Pincher Creek
Waterton Park
Foremost
Bow Island
Taber
Redcliff
Suffield
Brooks
Tilley
Dawson Creek
Grande Prairie
Fort St. John
Fort Nelson
Fort McMurray

How Canada's Oil Flows

Canadian Crude Oil Production:

	1959 (Est.) Bbl.	1958 Bbl.
British Columbia	827,000	512,510
Alberta	128,400,000	113,315,424
Saskatchewan	48,600,000	44,625,903
Manitoba	5,125,000	5,829,226
Northwest Territories	370,000	457,086
Eastern Canada	1,100,000	792,306
Total Canada	184,422,000	165,532,455

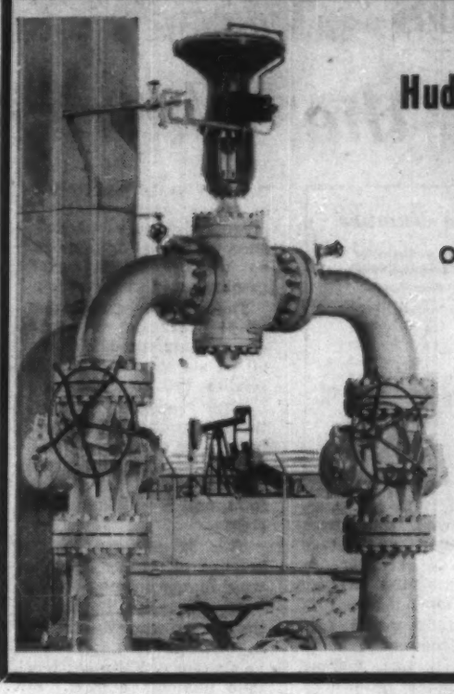
Canadian Crude Oil Disposition:

British Columbia	23,000,000	21,284,548
Alberta and N.W.T.	26,500,000	26,407,477
Saskatchewan	18,500,000	17,255,153
Manitoba	10,800,000	9,237,004
Ontario	73,400,000	60,329,816
Total used by Canadian refineries	152,200,000	134,513,998
U.S. Puget Sound Area	12,700,000	8,846,071
U.S. South	22,000	6,728
U.S. Great Lakes Area	19,500,000	21,759,085
Total Export	32,222,000	30,612,884
Total Demand	184,422,000	165,126,882

Sources of Crude Used by Our Refineries:

Canada	152,200,000	134,513,998
U.S.A.	206,000	1,713,542
Venezuela	74,009,500	71,825,377
Near and Middle East	36,878,500	21,906,367
Trinidad	3,126,000	1,999,455
Total Crude Oil Consumed	266,420,000	231,958,739
Net Product Imports	28,500,000	29,146,024
Apparent Consumption of Crude Oil and Products	294,920,000	261,104,763

(All figures in bbls. from Canadian Petroleum Association.)



Hudson's Bay Oil and Gas Company Limited

One of the Early Explorers

•

Now Among the Leading Producers

•

HEAD OFFICE:
320-7th Avenue West
CALGARY, ALBERTA. • PHONE AM. 6-7311

Gas Export Applications Before Board

Canada's National Energy Board already has four applications before it to export gas:

- **Trans-Canada Pipe Line,** to export gas to the U. S. midwest at Emerson, Man.
- **Westcoast Transmission,** to deliver gas to **Pacific Northwest Pipeline Corp.** through part of the Alberta-California pipeline.
- **Alberta & Southern Gas** and **Alberta Natural Gas,** to export from Canada to the California market of **Pacific Gas & Electric Co.**
- **Canadian - Montana Pipeline Co.,** to export gas to Montana, the gas to be brought from Alberta & Southern.

The hearings will be consolidated and will commence Jan. 5 in Ottawa.

The National Energy Board has wide powers to regulate oil and gas pipelines and the export of power. But under the National Energy Bill, the cabinet oversees all the board's decisions.

Here are the main features of the bill:

- **All oil and gas pipelines** which come under federal jurisdiction by crossing provincial interprovincial boundaries will require a certificate of "convenience and necessity" from the board, subject to cabinet approval.
- **International power lines** for the export of electric power will require the same certificate, subject to the same approval.
- **Control over tolls** charged by both oil and gas pipelines is vested in the National Energy Board — and the board has the broadest possible powers to determine them.

The National Energy Bill was proclaimed at the beginning of November, thus giving the board legal powers to issue licenses. At the same time, the board issued its "rules of practice and procedure" which set out the type of information which must be furnished by companies applying for licenses to export and import gas and export electric power.

The board may ask for complete details on:

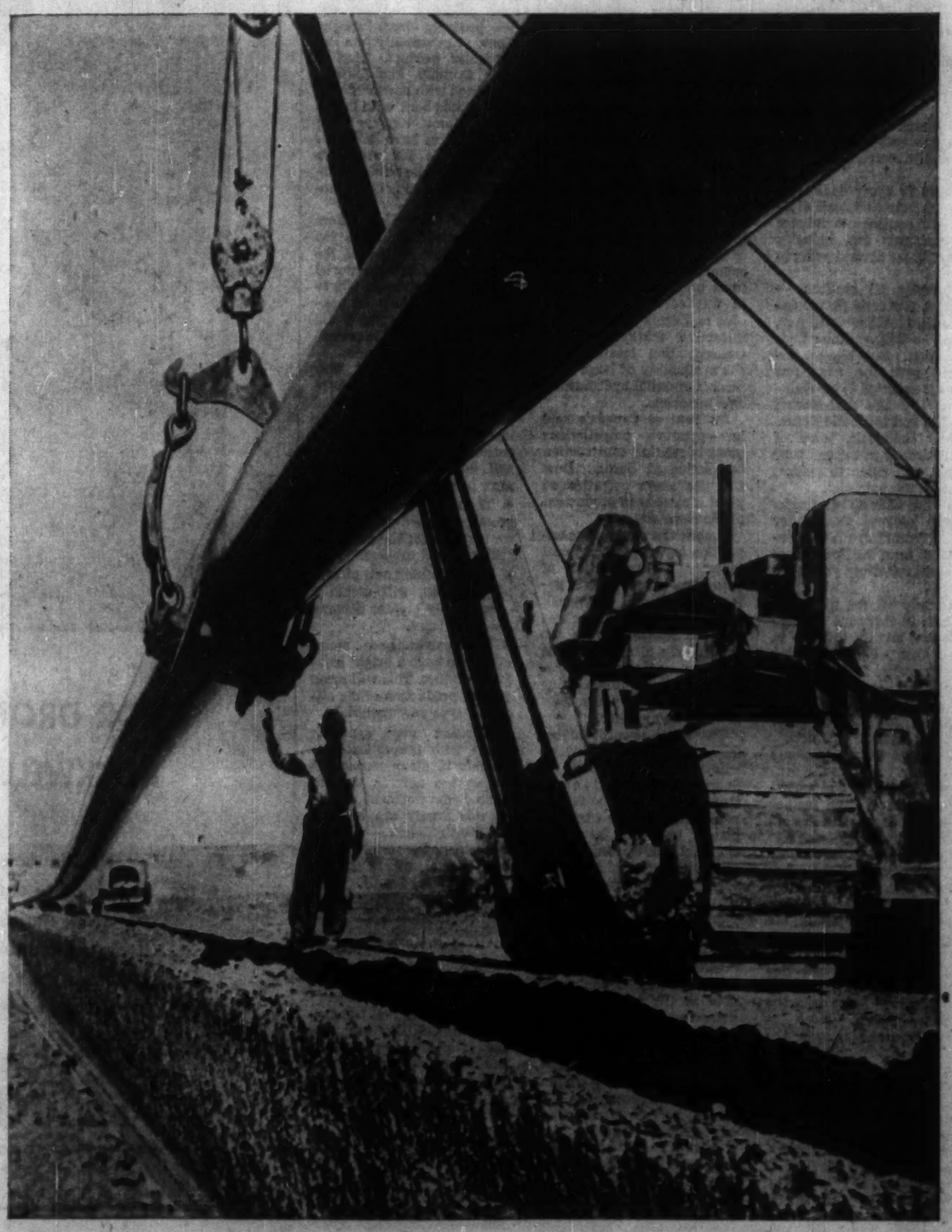
Contracts proposed; quantities to be exported or imported; details of expected markets; Canadian markets served; and sources of supply.

Indeed the board may ask for any information about circumstances surrounding an application that it wishes. The sections of the regulations which set out types of information which may be required are all preceded by this sentence as subsection 1:

"Every applicant for a license . . . shall furnish to the board such information as the board may require."

Members of the energy board: Ian N. McKinnon, former chairman of the Alberta Oil and Gas Conservation Board, chairman; Robert D. Howland, former economic adviser to the Nova Scotia government, vice-chairman; Jules A. Archambault, Montreal engineer; H. Lee Brigs, former general manager of the **B.C. Electric Co.**; Douglas M. Fraser, former head Energy Studies Branch.

Canadian Oil deserves the best and gets it



The industrial future of Canada is written in oil and gas, and their future is cased in steel. Only the modern steel tube makes it possible to drill for oil, to capture it, to transport and to refine it. • To serve the needs of oil and gas the world's first fully automatic seamless steel pipe mill was constructed 4 years ago at Sault Ste. Marie. Its production is backed by 70 years' experience of the world's first steel tube makers - Mannesmann in Germany. New production features not incorporated in any existing pipe mill - permit hot rolling of seamless pipe in all wall thicknesses from 4½" OD to 10¾" OD; seamless casing with short or long threads as laid down in API specifications, in sizes from 4½" OD to 10¾" OD; and such specialities as hot finished seamless mechanical tubing, hot finished coupling stock, piling pipe to specification ASTM - A 52, etc. • Made by Canadians with Canadian steel, Mannesmann seamless casing, line pipe and tubular goods can solve any of your oil and gas problems. Our engineers will help put your ideas into practice. •

MANNESMANN TUBE COMPANY LTD.

Sault Ste. Marie, Ontario

Telephone: Algoma 3-2355 · Cable Address: Mannestube · Telex: 027-98

Sales Organization:
Canadian Mannex Corporation Limited
with offices in Calgary, Alta.,
Vancouver, B.C. Toronto, Ont.

Export:
American Mannex Corporation
680 Fifth Ave., Canada House
New York 19, New York

Supplied by Mannesmann Companies abroad:
Seamless casing to API Std. up to 30". Seamless tubing to API Std. up to 4½". Seamless extreme line casing and tubing under licence from Spang-Chalfant division of the National Supply Company, Pittsbourgh, Pa. ● Seamless drill pipe to API Std., sizes 2⅜" to 6⅝". Seamless line pipe to API Std. up to 20". Welded line pipe in sizes up to 40". Valves and fittings in special designs. Seamless pipe made from non-alloyed, alloyed and highly alloyed austenitic steel, meeting all specifications needed in oil processing, such as: Boiler and superheater tubes, heat exchanger tubes, condenser tubes, coils, still tubes, etc., according to German and foreign standards, particularly as prescribed by ASTM specifications. ● Welded containers, and high-pressure vessels ● Complete landing stages in tubular steel dolphin construction and off-shore installations for the bunkering and unloading of tankers. ● Mannesmann-Meer compressors and Lohmann gear units, clutches and couplings for oil-field and refinery service. ● Easton rigid unplasticized polyvinyl chloride (PVC) pipe, fittings, and valves. ● Magnetic inspection materials.

1970 Autos

May Upset the Charts

What will 1970 model automobiles be like?

Marketing people in all the major oil companies would very much like some clues.

Automotive transportation and the automotive industry now use 40% of the entire output of refineries in Canada. Even with higher production they're likely to maintain or perhaps slightly increase that percentage.

But developments in the auto industry have put big question marks on trend charts covering octane requirements and other data used by oil men in planning future facilities.

The chart showing projections of octane requirements, for instance, was going up at a sharp angle.

Now — with the upsurge of foreign imports and smaller domestic cars — it has flattened out.

Octane requirements are, of course, closely related to compression ratios. In 1959 —for the first time in 10 years —average compression ratios for cars produced in the U. S. showed a decline.

During the years 1950 to 1958, the weighted average compression ratio for U. S. passenger cars rose from 6.84:1 to 9.24:1, an average increase of .3 per year. In 1959 the weighted average was 9.13:1, down 0.11.

Octane Number

Weighted averages for gasoline sold in Canada (All elevations)

End of July	Premium	Regular
1951	88.9	83.1
1952	89.3	84.3
1953	91.3	85.5
1954	92.2	86.6
1955	94.0	87.5
1956	95.1	88.8
1957	96.7	90.5
1958	98.3	91.7
1959	98.5	92.2

In the 1958 model run, 64.37% of the entire U. S. production carried engines with compression ratios 9.0:1 to 10.5:1. The 1959 model year, just completed, showed a startling decrease to 45.7% of all cars in this highest compression ratio bracket.

Octane requirements, estimated by **Ethyl Corporation of Canada Ltd.**, for 44 leading models manufactured in the U. S., showed that for the 1959 model year only 13 of these were likely to give satisfactory performance, with only "light knock," on average regular grade gasolines sold in Canada.

These, however, represented 50% of total volume of cars manufactured, including all six-cylinder and the smaller V-8 automobiles.

With "compact" cars and the influx of small imports, percentage of new cars satisfied by regular grade is considerably more than half the total, and is expected to increase.

This is reflected by the leveling off in the trend toward higher octane numbers.

Starting from the end of the Korean war, gasoline sold in Canada was improved at an average of 1.1 research octane numbers a year. But the 1959 average is only .2 higher than 1958 for premium, and .5 higher for regular grade.

Incidently, octane numbers for Canadian regular grade became slightly higher than the U. S. average in 1957 and have stayed above the U. S. figure since that year.

Gas Costs Less

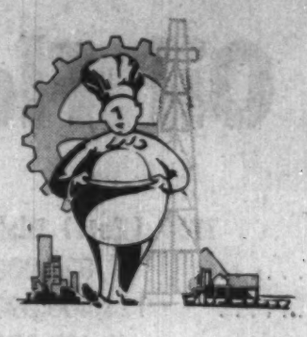
Gasoline today does 70% more work, at 18% less cost, than it did in 1930, according to a compilation made by **Ethyl Corp.**

Thirty years ago one gallon of gasoline could move one ton of automobile 29 mi. at 40 mph average speed.

Today one gallon can move a ton of new model car 44 mi. at the same speed — despite the addition of many accessories which use power but were unheard of in 1930.

Taking the average of all cars on the road, it is estimated that in 1930 the average car provided about 25 ton-miles per gallon. Today the average, new cars and old, is 43 ton-miles, a 70% improvement.

Without including taxes, gasoline cost today for recent model cars in the U. S. averages about .54c per ton-mile compared to .66c in 1930. This is estimated to be a saving of $140 per year for the average motorist.



INDUSTRIAL CATERING — CANADA-WIDE

We provide a Complete Service, and are fully equipped to service any size of Employee-Feeding project, for:

CONSTRUCTION CAMPS • MINES • LUMBER CAMPS
CANTEENS • RAILWAY MAINTENANCE • SUMMER CAMPS
OIL CAMPS • ARMY CAMPS
INDUSTRIAL CAFETERIAS and DINING ROOMS

We Invite Your Enquiries

CANADA CATERING COMPANY LIMITED

"CATERERS TO INDUSTRY"

EDMONTON, ALTA. 10918 88th Avenue — 648 SPADINA AVENUE — TORONTO 4 — MONTREAL, P.Q. 1396 St. Catherine St. W.

98.5 Octane Number a Record

According to Ethyl Corp.'s latest figures, the national weighted average of premium gasoline on sale at service stations across the country in October was 98.5 octane number, the highest in Canada's history.

Regular grade average was 92.2, which meant that the octane number of this fuel was holding steady at the record high level it established a year earlier.

Both grades of Canadian gasoline compare most favorably with motor fuel sold in the U. S. which traditionally offers the world's highest antiknock quality gasoline. This is a credit to the research and technological developments of Canadian gasoline refining industry.

Trends are not easy to forecast. It is almost certain, however, that, if antiknock quality moves in any direction, it will be up rather than down.

If the compression ratios of automotive engines continue to increase, as they have almost year after year, future units undoubtedly will require fuels of even higher octane number than are now available.

It would appear that this upward trend in the immediate future will not be as pronounced as it has been over the past 10 years.

Refiners may soon have a new tool available to produce higher octane fuels. Ethyl has developed what it says is the most effective new antiknock compound to be marketed since the original "Ethyl" antiknock compound was introduced to the motoring public almost 37 years ago.

This new antiknock, called Motor 33 Mix, combines a manganese compound with tetraethyl lead.

Sales of premium grade fell off in Canada in 1958, to 26.8% of the total, from better than 31% in the last two years.

Premium grade sales in the U. S., while dropping slightly, remained at 31.4% of the total gasoline consumption in 1958.

Petrochemicals Expansion Outpacing All Chemicals

The remarkable growth pace of petrochemicals on this continent — a doubling of output about every five years—has slowed down over the last two years.

But it's been more like bringing a wild horse down to a manageable gallop. There's every indication the rapid expansion will continue over the next few years at least.

In the U. S. where petrochemicals got started a good deal earlier than here and where per capita consumption is almost four times what it is in Canada, the industry is showing first signs of market maturity. **Nevertheless the strong industrial upturn** this year has carried dollar output to an estimated new peak around $6 billion. This is a gain of 17% over last year.

In Canada dollar volume this year will be over $200 million, an increase of around 15%.

There is every indication that the petrochemicals division will continue to outpace all chemicals and industry generally for several years to come.

Virtually all sections — plastics, synthetic fibres, detergents, chemical fertilizers, resins — will continue their expansion. But biggest increase over the next few years is expected to be chalked up by the fast-moving plastics and synthetic fibres.

New chemicals, some of them already in the test tube stages, will come to market to swell the potential.

All this adds up to a promisingly buoyant market for the hydrocarbon raw materials that form the lifeblood of this still relatively young industry.

Already all the major oil refiners in this country have branched into the industry in some form — either selling the primary feedstock requirements or processing them themselves into intermediates for sale to other firms or into end products.

The next expansion phase will likely be along the diversification route and carrying products a little further on towards consumer market level.

Every firm in the industry is closely watching market growth with a view to adding new products when the time appears right to justify the heavy capital expenditures involved. Actually they can't usually afford to wait this long. There is always someone ready to jump into the field in advance.

Almost certainly over the next few years will be new petrochemical developments in Western Canada — probably in Alberta and British Columbia.

Expanded refinery capacity and heavy supplies of gas by-products will provide a growing flood of hydrocarbon raw materials. Out of the new gas processing and sulphur plants built—and to be built—will come a mounting flood of butanes, ethanes, propanes, natural gasoline and sulphur.

Sulphur output alone is forecast to reach close to 2,000 tons daily by the time the two major gas transmission lines reach full throughput levels, closer to 5,000 tons daily if other export lines are built.

In the meantime the western market for petrochemical products has been growing gradually. Already one major petrochemical firm — **Dow Chemical of Canada** — has announced plans to establish petrochemical operations in the West. Two other major firms already operating in Edmonton — **Canadian Industries Ltd. and Canadian Chemical Co.** — have expansion programs just completed or getting under way.

There will be further important expansion at Canada's two major petrochemical centres — Sarnia and Montreal East. Every one of the major operators in these two locations has plans for branching into other products as markets dictate. Foreign companies looking to enter some branch of the business in this country have close eyes on Sarnia because of its attractive marketing and transportation location and the availability of large supplies of essential hydrocarbon raw materials.

Du Pont of Canada's new low-pressure polyethylene plant is nearing construction completion at Sarnia. Dow Chemical's new polyethylene plant is already in production at the same site.

Despite the tremendous expansion in the petrochemical industry the proportion of petroleum output that is going into it is still very small — estimated at just over 2%. But the reason refiners are particularly attracted to the industry is that the hydrocarbon raw materials going into it are usually upgraded in value many times.

The trend towards higher quality gasolines for today's automobiles is providing refinery gases and liquid streams which can be fed directly into the petrochemical plants. In return the petrochemical unit can extract the component it wants and return the residue gases to the refiner. In some cases the refiner himself installs the special equipment to perform the exacting separation and purification jobs.

The plant and equipment used in the manufacture of petrochemical intermediates are scarcely distinguishable from those which crack and separate crude in a refinery. Both involve heavy capital outlays and generally take several years to reach capacity operating rates.

In both cases the processes used re-arrange the molecular structure of the hydrocarbons in the oil or gas streams. In the process the chemist uses catalysts, heat, cold, pressure and vacuum to take apart the tiny molecules and re-arrange them into new desirable patterns.

Sometimes the molecular pattern will duplicate that of natural materials — as in the case of synthetic rubber. Sometimes they form patterns and materials never found in nature — plastics. Many products like glycerine and industrial alcohol, for instance, used to be all derived from nature. Now they can be produced competitively from petroleum.

In almost every case petrochemical products — either replacement for former natural products, or entirely new products—have brought a new price stability into the particular product. That is after initially high prices, associated with new products, have settled back with large-scale volume, e.g. synthetic rubber prices have held virtually stable for over five years now while natural rubber continues to fluctuate erratically.

One of the major factors in this price stability is the settled price pattern of the hydrocarbon raw material and intermediates. What's more this is likely to continue with the surplus world oil conditions likely to prevail over the next few years.

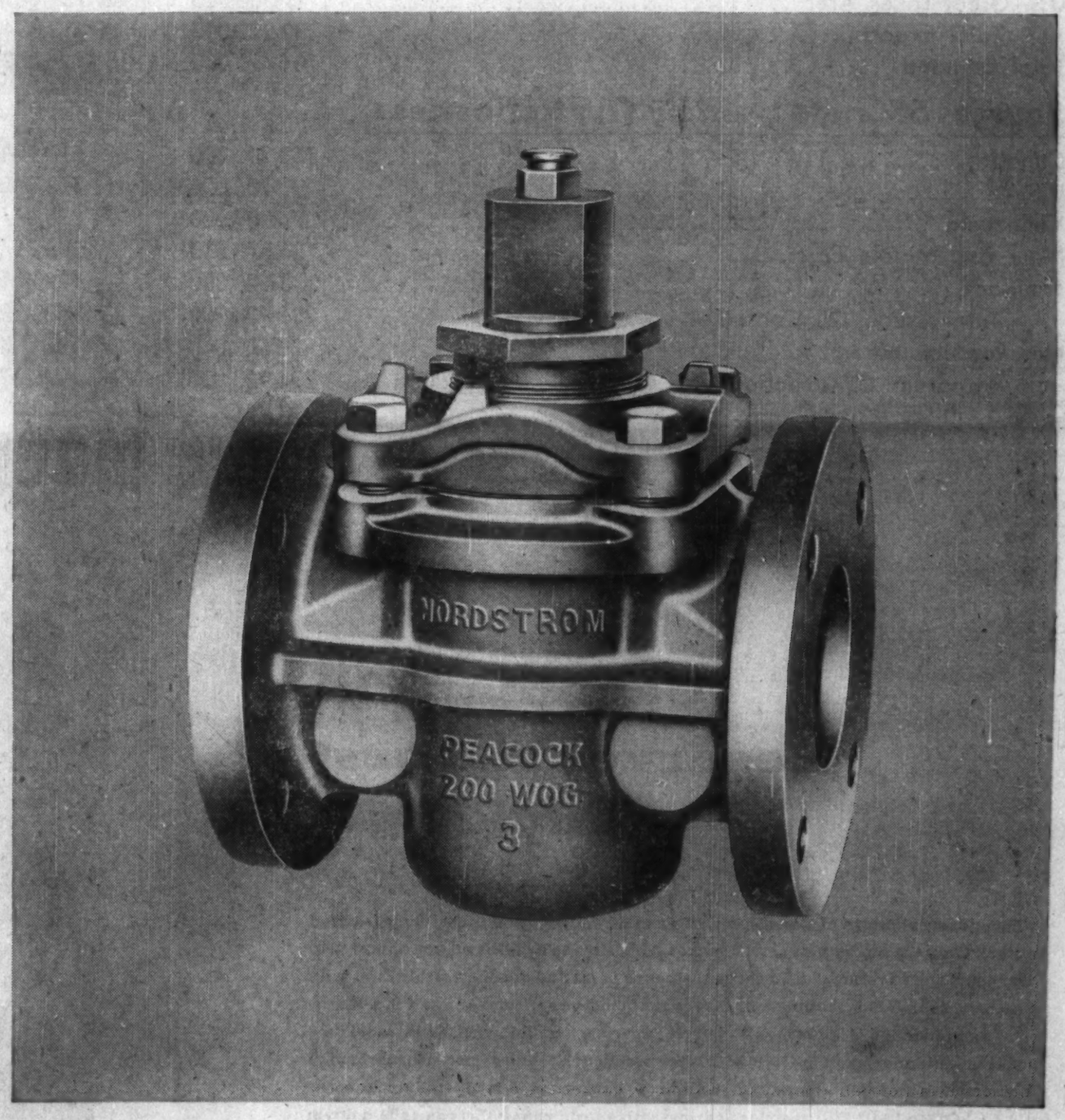
The procession of new products coming along—particularly in the resins and plastic field—will boost the market for certain types of petrochemical raw materials and intermediates over the next few years:

- **There's bound to be a greatly stepped-up demand** for isoprene for the new synthetic natural rubbers.
- **The promising new plastic, polyproylene,** will create a considerably greater demand for propylenes.
- **The polyurethane resins appear to have** a bright marketing future. This will mean greater production of the aliphatic type raw materials.
- **Exciting new synthetic resins** with properties comparable in many respects to metals are now in the advanced development stages. In this family are included Du Pont's Delrin — a polyformaldehyde resin. There are several others in the polycarbonate family. These give promise of opening up entirely new fields for petrochemicals.

In Canada the steadily expanding demand for polyethylene is boosting the requirements of ethylene.

In some cases oil companies in this country are moving into the petrochemical business in partnership with chemical firms which can supply much of the essential chemical and marketing know-how.

Such is the case with **British American Oil Co.** which teamed up with **Shawinigan Chemicals** to form Canada's only phenol producer — **B.A. Shawinigan.**



FOR DROP-TIGHT SHUT-OFF ON GASES AND LIQUIDS...

ROCKWELL-NORDSTROM LUBRICATED TAPERED PLUG VALVES

Used in thousands of trouble-free installations from coast to coast for nearly every service—gas, oil, water, slurries, corrosive and erosive fluids—Rockwell-Nordstrom valves have been manufactured in Canada under license by Peacock for more than 35 years and are warehoused across the country in a wide variety of types, sizes and pressure ratings. These valves provide *tight shut-off*, are *quick and easy to operate*, positively *will not leak or stick* when properly lubricated and adjusted. Sizes to 34 inches — pressures to 15,000 lbs test. Ask for free descriptive literature.

PEACOCK BROTHERS LIMITED P.O. BOX 1040, MONTREAL 3

SYDNEY • TORONTO • SUDBURY • WINNIPEG • EDMONTON • CALGARY • VANCOUVER

Develop New Uses For 'Gas'

The liquefied petroleum gas industry in 1959 made the closest approach yet to market stability.

- **Production in Western Canada has doubled,** in comparison with 1958, so that it is no longer necessary to import from the U. S. even in the winter periods of peak demand. New refineries in Eastern Canada have added to the supply.
- **Underground storage facilities** were placed in operation to absorb surplus gas in the summer and make it available for winter use.
- **Further offsetting the danger** of over-production was a program of pumping propane back into wells at Pembina.
- **Although extension of natural gas mains** closed out some markets for LP gas, increased interest in gas as a fuel has opened other markets.
- **New uses developed** for LP gas and promotion of wider use in existing installations has helped to stabilize the market further.
- **Helping to cut costs** and improve profits is acceleration of a move toward bulk distribution as opposed to single tanks.

Development of three underground storage wells in salt beds near Hughenden, Alta., is proceeding steadily. By March, 1960, these will have a storage capacity of 15 million gal., probably sufficient to absorb surplus production next summer and provide a reserve for the expanding LP gas market in the West.

This storage is developed at relatively low cost by drilling into the bed, and washing out the exposed salt with fresh water. The work is being done by **Alberta Underground Storage Ltd.,** owned by **Canadian Hydrocarbons Ltd., B. A. Oil,** and **Goliad Corp.**

LP gas production in Western Canada this year will probably total 95 million gal., compared to 45 million in 1958. This is due largely to completion, last year, of three plants—by Goliad at Pembina, B.A. Oil at Pincher Creek, and **Steelman Oil & Gas** at Steelman.

Helping to offset this increase in output was an extensive miscible flooding program undertaken by **Mobil Oil and Gas** in the Pembina field.

This program — largest of its kind in the world — will continue for some time. It helps to maintain pressure in the company's wells, and conserves the liquid hydrocarbons for later use.

This program, according to industry executives, has removed the threat of a serious surplus from LP gas producers in Western Canada for the forseeable future.

Conversion to natural gas in the major towns and cities of Western Canada has now been accomplished, removing this area of dislocation for the LP gas operators.

However, at least a dozen new independent distributors have entered the business, taking advantage of an anticipated surplus supply of propane, making competition considerably keener in the more developed areas just beyond the mains.

THESE AMINE TREATERS at B-A Pincher Creek plant remove hydrogen sulphide and carbon dioxide from acid gas.

Canadian Hydrocarbons has reorganized to meet this competition, and in 1960 will operate in two divisions. The propane gas division will distribute propane and service customers. The rapidly growing appliance division will use showrooms at various points to develop sales of propane burning equipment.

Installation of natural gas pipelines in many towns in Ontario and Quebec this year has caused former LP gas users now on the mains to convert to natural gas.

But, says David Lloyd, president of **Pyrofax Gas Ltd.,** Toronto, the general public in such areas — especially in the suburbs just beyond the mains — becomes more gas conscious and the LP gas business should soon regain its recent rate of expansion in these areas. An extremely warm summer also curtailed use of gas.

However, Pyrofax continued its expansion program and appointment of 10 new distributors increased the total to 39 in Ontario and Quebec — compared to 20 at the end of 1957.

Superior Propane Ltd. continued its expansion program with purchase of **Kennebec Co.,** Quebec City, with a plant also in Murray Bay.

"This purchase basically completed our coverage of the more populous areas north and south of the St. Lawrence not served by natural gas," said Reg. Samworth, vice-president.

Some LP products are being shipped in railway tank cars from the West to Eastern Canada, as a result of stabilization of prices at a lower level, and reasonable freight rates.

New uses developed during the year helped to heighten interest in "bottled gas."

This fuel made its appearance on the DEW line, where it proved to be easy to handle, and more satisfactory than gasoline in extremely low temperatures (to —48 deg F.) In all, 1,000 cylinders containing 20,000 gal. went from Montreal by icebreaker, completing their journey in the north by air.

Tractors with LP cylinders mounted on them became a much more common sight, particularly in the West, as farmers discovered this fuel's advantages. A change in the carburetor and modification of the distributor were enough to change over a gasoline engine.

Special farm applications, such as drying corn, also were tried. One experimental use is a fuel-cell tractor which converts fuel, primarily propane, directly into electrical energy.

Additional installations were made in tobacco curing barns in Southwestern Ontario.

LP installations have been growing in resort areas, where the gas cylinders are often serviced by the same man that brings milk, bread and mail. Marinas now stock gas cylinders, so that island residents can pick up supplies easily.

In the powdered milk industry in Quebec, LP gas replaced some coal and oil installations this year.

The fuel also has been found advantageous in constant-running engines such as irrigation pumps and in industrial situations such as on fork-lift trucks since there is a minimum of carbon monoxide in the exhaust.

Other industries — such as printing shops — find that LP gas aids them in meeting competition from plants which have the advantage of natural gas for special applications.

Says A. A. Rowan-Legg, vice-president of the Liquid Petroleum Gas Association, Eastern Canadian district:

"I see 1960 as the most challenging year for the LP gas industry in Canada thus far.

"It holds great potential for new business but it also holds the threat of failure at the hands of inefficient and careless operators. In my opinion, the pluses far overshadow the minuses."

CHARTER OIL COMPANY LIMITED

Ground Floor, Petroleum Bldg. Calgary, Alta.

508 Credit Foncier Bldg., Vancouver, B.C.

Battle Shapes Up For Quebec Rights

A battle is building up for rights to distribute natural gas in the south and eastern parts of Quebec.

So far, three companies have said they want to build a pipeline and distribute natural gas in the Eastern Townships — St. Lawrence River area.

All three have been working hard to line up municipal franchises, obtain permission to go ahead from the Quebec government or secure guarantee of gas supplies or some combination of these three objectives.

Indications are that several more aspirants may enter the race before a showdown fight takes place.

First of the three prospective gas distributors to publicly enter the pipeline sweepstakes was **Cartier Gas Corp.,** a subsidiary of **St. Maurice Gas Inc.** and **Consumers' Gas Co.,** Toronto.

In a $57 million project, Cartier proposes to build a pipeline from the western end of Montreal Island and the end of the **Trans-Canada** pipeline, through the Eastern Townships, crossing the St. Lawrence River at Trois-Rivieres and then continuing on to Quebec City along the north shore of the river.

Cities to be served would include St. Hyacinthe, Sherbrooke, Drummondville, Sorel, Shawinigan and others. Population in the area to be served is in the vicinity of 800,000.

Cartier's estimated $57 million price tag includes cost of building the pipeline plus branch lines as well as distribution facilities in the various municipalities.

Cartier has obtained franchises from 10 municipalities. These include: Trois-Rivieres, Magog, Granby, Waterloo, Cowansville, Farnham, Richmond, Acton Vale and Nicolet.

Negotiations are under way with a dozen other communities.

In addition to seeking franchises, Cartier has applied to Quebec for legislation to enable the company to build its proposed pipeline. Included in the proposed bill is the power to expropriate land for the pipeline right-of-way, if necessary.

A second company, **Gaz National Inc.,** is seeking to build a pipeline in the same general area as Cartier. This company, too, has a request for special legislation before the Quebec legislation.

Gaz National, however, has not been out actively soliciting franchises. These, the company maintains, are not worth the paper they are written on without special legislation from Quebec.

Gaz National has confined its efforts to missionary work among prospective municipalities and such activities as getting letters from city fathers expressing their willingness to discuss franchises, should the company get the go-ahead from Quebec.

Third and newest contender in the pipeline race is **Laurentian Gas Co.,** a recently formed Quebec company.

Laurentian proposes to tap **Quebec Natural Gas Corp.'s** pipeline at convenient points and thus avoid some costly pipeline construction that either Cartier gas or Gaz National face.

Laurentian would like to bring gas to many of the communities in the same areas Gaz National and Cartier propose to serve. It is already out doing battle for franchises in a number of municipalities.

The company says it does not intend to apply to the legislature for any special legislation.

The right to expropriate, the company argues, is not really needed, since experience of many utilities has shown this power is rarely used.

Laurentian says it has an agreement with Quebec Natural Gas whereby it may tap the latter's pipelines at any convenient point. In addition, it has made arrangements to buy gas from Quebec Natural.

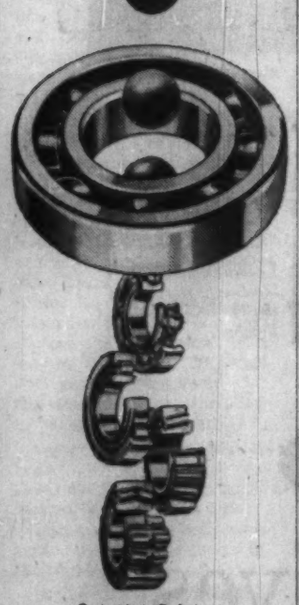
Company's chief argument is that because of its agreement with Quebec Natural, it will be spared the expense of building a lengthy pipeline to hook up with Trans-Canada. This saving, it says, will reflect in gas rates it will be able to offer.

SKF

THE

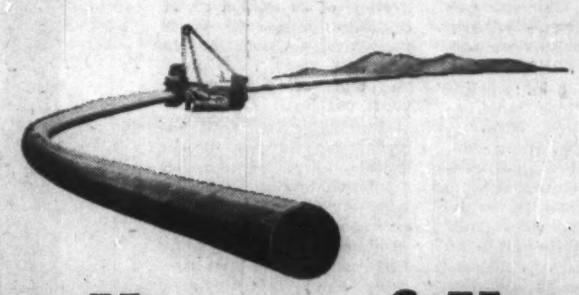
FINEST BEARINGS

IN THE WORLD



CANADIAN SKF COMPANY LIMITED

Head Office and Manufacturing Division: 2201 Eglinton Ave. East, Scarboro, Ontario. District Offices and Distributors Coast to Coast.



What Two Years of Natural Gas Have Meant to British Columbia

GREATER EMPLOYMENT...

New industries have followed the construction of Westcoast Transmission's 650-mile natural gas pipeline. Chemical plants, sulphur plants, new refineries, appliance manufacturing plants, and even the pipeline itself have provided hundreds of new jobs. More employment for more people in a booming British Columbia!

INCREASED PAYROLLS...

Before the familiar blue flame reaches your homes, natural gas flows through hundreds of miles of underground pipe. Over $200 million . . . dollars that entered the life stream of B.C.'s economy . . . were spent bringing Peace River gas to market! More people have been employed—to manufacture, lay and connect the pipeline . . . to serve and service gas customers.

MODERN, ECONOMICAL LIVING...

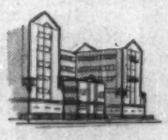
British Columbia families live better—thanks to modern automatic appliances and heating units which use natural gas . . . nature's most efficient fuel! Natural gas is the perfect fuel . . . ideal for many main household uses—from heating and cooking to incineration and refrigeration!

FUTURE ELECTRICAL CAPACITY...

Today, natural gas is being used to produce a large part of the electricity used in central British Columbia. And soon this modern fuel will be used to power other electrical generators—producing additional kilowatts.

IMPROVED PRODUCTS...

Industries, such as bakeries, ceramic plants and foundries, have installed gas-fired ovens. The reason—natural gas is the only fuel that gives instantly controllable, exact heat, which makes it possible to produce finer, more improved products.



NEW EFFICIENCY FOR INSTITUTIONS...

Major hospitals in British Columbia, like Vancouver's St. Pauls, have cut costs by converting to gas heating plants. Natural gas is non-poisonous, burns efficiently . . . a silent, reliable servant.

In just two years, natural gas has revolutionized the economy of British Columbia, providing benefits for all its people. Harnessing of this great natural resource has stimulated the search for new reserves and created new royalty revenues for the people.

Westcoast Transmission . . . planners, developers and operators of the 650-mile pipeline that brings this beneficial, modern fuel . . . is proud of its contribution to the development of Canada's Pacific Coast Province.

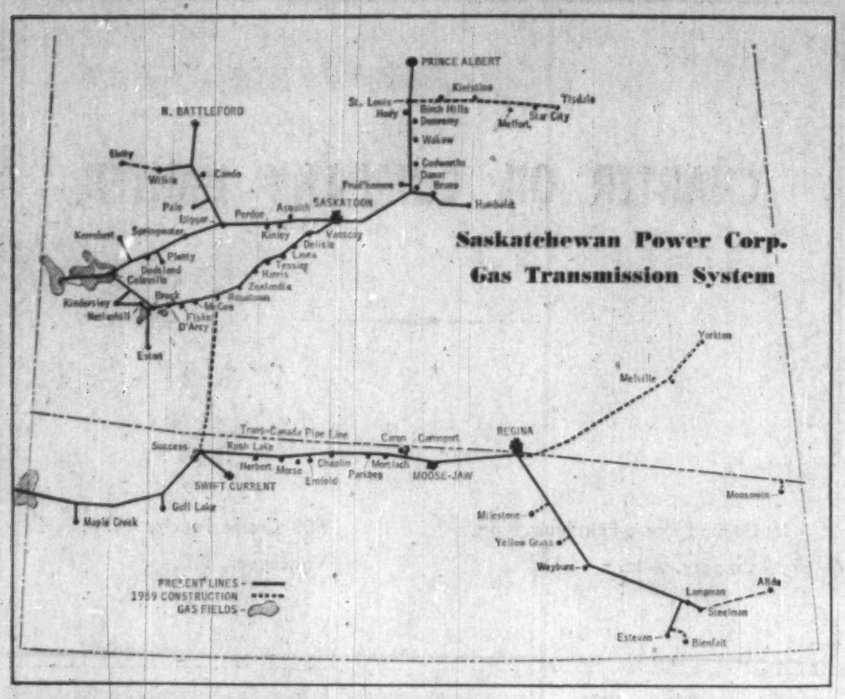
Canada's first "Big Inch" natural gas pipeline.

WESTCOAST TRANSMISSION

WESTCOAST TRANSMISSION COMPANY LIMITED

VANCOUVER - CALGARY

VA381-1



Sask. Power

Many New Customers

Saskatchewan Power Corp., Saskatchewan's publicly owned natural gas utility, brought natural gas service to a record number of urban customers this year.

Capital expenditures, at $13.6 million, were down over $2 million from last year due to the fact that especially costly gathering and transmission lines had to be built in 1958.

However, more centres were served and more miles of transmission lines were built in 1959 than in any previous year.

Distribution systems were completed in one city and 18 smaller centres compared with two cities and 11 smaller centres in 1958.

Seventy urban communities now served. This involved building over 400 mi. of new distribution mains, individual customer service pipe and laterals.

Yorkton, largest single distribution project on this year's program, was built for the SPC by **H. B. Contracting Ltd.** of Abbotsford, B.C. The arrival of natural gas in Yorkton means that all Saskatchewan cities are now being served with natural gas.

Gas distribution systems in Tisdale, Star City, Melfort, Kinistino, Hoey, Dana, and Cando were built by **Robb Construction Co.** of Regina. Total cost for the seven northern distribution systems, including labor and materials, was approximately $730,000.

The towns of Moosomin and Bienfait were connected by **Banister-Helm Ltd.** of Edmonton and Regina at a total labor and material cost of approximately $200,000.

In Melville, the existing butane-air system was purchased by the corporation and converted by Banister-Helm to make natural gas service possible.

Saskatchewan Power Corp crews built distribution systems in Yellowgrass, Milestone, Ernfold, Rush Lake, Birch Hills, Caron and Caronport.

Three hundred and thirty miles of natural gas transmission line were built for the corporation this year, compared with 252 mi. in 1958:

- **The 113 mi. 8-in.** Regina-Yorkton transmission line built by **Marine Pipeline and Dredging Ltd.** of Vancouver, brought natural gas to Yorkton and Melville in the eastern area of the province.
- **A 72-mi., 6-in.** line from St. Louis, on the Saskatoon-Prince Albert line, eastward to Tisdale, was built by Marine Pipeline and Dredging upon completion of the Regina-Yorkton line. Total cost for these two lines, was approximately $3.5 million.
- **An 83-mi., 10-in.** line for Success north of Rosetown connected the present north and south gas systems into one province-wide grid for the first time. This line was built by **Dutton - Williams Bros.** of Edmonton at an estimated cost of $2.5 million.
- **A 22 mi., 8-in.** pipeline was built by Robb Construction leading from Wilkie to Unity, in northwestern Saskatchewan. Provision was thus made to ensure a future supply of natural gas to the town of Unity, the SPC power plant and the **Sifto Salt** plant, which had until late this year been served by the **Unity Gas Co.** from the now almost depleted Unity gas field.

The Unity gas field was purchased this year from the **Bata Petroleum Co.** Assets purchased included the gas field, gathering system, transmission line from the field, and the distributon system serving the town itself.

Although the Unity gas field is nearing depletion, it is important to the corporation because of its potential as a storage field.

It is anticipated that some gas drawn from the Coleville-Hoosier and Hatton-Many Islands fields will be stored here during the summer and withdrawn during the higher-consumption winter heating season.

The final natural gas transmission line to be commenced in 1959 was the 40 mi., 6-in. Alida-Steelman line which was constructed by **Henuset Bros. Ltd.** of Virden, Man. The purpose of this line is to transport natural gas from the gasoline plant located midway between Alida and Nottingham. The recovery plant and gathering facilities are being built and operated by a group of oil operators in the area.

Early this spring, **Britalta Petroleums** and **Crescent Oil and Gas** agreed to sell their interest in the Many Islands gas field of Alberta to the Saskatchewan Power Corp. Purchase is conditional on the outcome of an Alberta Conservation Board hearing, held on Oct. 29.

It is anticipated that the cost of approximately $20 million will be spread out over 20 years through payments of bonds and deferred payments with interest, so heavy immediate financial drain will not be incurred.

By becoming both the owner and operator of the Many Islands field, the SPC can achieve three important objectives:

- **Freedom to operate** the field to fit in with over-all supply situations.
- **Access to more gas** at lower unit cost.
- **Substantial reserve** for future use.

Agreement has been reached with **Trans-Canada Pipe Lines** whereby the corporation will sell to Trans-Canada, startng in 1960, an average of 20 million cu. ft. of natural gas per day for 15 years. After that, for the next five years, the amount will taper off to 10 million cu. ft. per day.

One major industrial natural gas customer — the **Potash Corp. of America** plant at Floral near Saskatoon — was added during the past year. This plant uses natural gas in its refining processes. Plans have also been made to serve **Interprovincial Steel Corp.**, north of Regina, in January of 1960.

Pay Gains in Oil, Gas

	Av. wkly. wage $	Av. hrly. wage c	Hrs. worked per week
Mid-1959	91.23	2.18	41.9
1958 avge.	89.20	2.13	41.8
1957	90.13	2.07	43.5
1952	71.22	1.62	44.1

Source: DBS

A-Blast For Oil Set Back

Plans for a nuclear explosion to recover oil from the Athabasca tar sands have been postponed indefinitely because of current U. S.-Russian negotiations about nuclear disarmament.

New plans are unlikely until an agreement is signed between the U. S. and Russia which would permit underground bomb tests.

The postponement is a disappointment to the Canadian technical committee which has spent more than a year in working on the scheme. Members believe it could open the door to recovery of perhaps 45% of the oil resources of the Athabasca sands.

The tar sands are believed to contain about 300 billion bbl. oil — more than all the proven oil resources of the free world.

The plan: Explode a two-kiloton atomic bomb (equivalent to 2,000 tons of TNT) 1,200 ft. below the surface of the tar sands at a point held under exploration permit by **Richfield Oil Corp.**, Calgary.

The proposed site is 65 mi. south of McMurray, Sask., where there is a layer of tar sand 200 ft. thick covered by 800 ft. of overburden. The bomb would be placed 200 ft. below the tar sand.

Planners believe that the explosion would form a chamber 150 ft. across surrounded by slag which would hold the dangerous fission products. Heat of the explosion should lower the viscosity of the oil, causing it to flow freely.

Mines Department officials believe that 50% of the oil within range of the explosion could be recovered in this way, and that 90% of the oil in the Athabasca sands could be reached by atomic explosions.

The technical committee which has been planning the explosion consists of officials from the federal Mines and Health and Welfare Departments, Atomic Energy of Canada, Alberta Oil and Gas Conservation Board, plus representatives of Richfield Oil. The bomb would be supplied by the U. S. Atomic Energy Commission.

Our Place In World Oil Market

Canada's oil industry, in coming to manhood, has also become international, W. M. V. Ash, president, **Shell Oil Co. of Canada**, said recently.

He was pointing out the importance of the world oil market to Canadian producers.

This is a market that is glutted by oil.

At present the free world is consuming about 16 million bbl. of oil a day. But the shut-in capacity — excess capacity that could be turned on at negligible expense — amounts to perhaps five million barrels a day.

In this market Canada's production of 510,000 bbls. a day is "peanuts".

If the shut-in Canadian crudes — last year 53% in Western Canada as a whole and 61% in Alberta alone — are to be provided an increased export outlet—prices will have to be competitive.

Canadian oil will have to achieve competitiveness with other sources of crude imports into the U. S. and with U. S. domestic production.

When the well-head prices of Canadian crude were cut last March, they were for the first time changed in response to changes in the Middle East and Venezuela instead of, as hitherto, to changes in Illinois crude.

As a consequence of the cuts and of accompanying reductions in **Interprovincial Pipeline** tariffs, West Canadian crudes obtained a competitive advantage over Illinois crudes at Sarnia and Toronto of about 20c.

Yet this cut was not sufficient to prevent Venezuelan crude from taking advantage of the St. Lawrence Seaway and moving into the upper Great Lakes.

A tanker unloaded 55,000 bbl. at Fort William in October for the refinery of **Husky Oil & Refining Ltd.**, replacing supplies brought by tank car from Saskatchewan oilfields.

Canadian crude prices are still low enough, it is believed, to compete with Venezuelan crude at Canadian and U. S. Great Lakes markets served by pipeline from the West.

They are not low enough to enter the big Montreal market, though Canadian independent producers are pressing for sufficient protection to justify extending a pipeline to the Eastern city.

Even in the Pacific Northwest states of Washington and Oregon, Western Canadian oil is hard put to compete with more distant sources of supply, including Indonesia, British Borneo and the Middle East.

Canada is now, however, supplying about one third the refinery runs of some 120,000 bbl. daily in the Puget Sound refineries.

Canadian producers had high hopes for the Northwest market, but it has not grown as fast as expected. For the future there are unpredictable factors to consider, such as the success of oil exploration in Alaska and on the Californian continental shelf.

An aid to water imports has been the immense excess of tanker capacity.

Although many vessels are uneconomically small compared to the new giant tankers, their operators are willing to run them at rates that earn them only a little more, or even less, than operating expenses.

Anybody with crude he wants desperately to get rid of can ship it thousands of miles and strike a bargain. As a result Middle East oil has been competitive 13,000 mi. away in the Northwest States.

U. S. regulations shutting out more foreign oil, other than Canadian, has put even greater pressure on world prices.

A few years ago, when practically all free-world foreign oil was produced by seven big international companies, this pressure might not have been so serious. But in recent years scores of independents have invaded the foreign fields and are now contributing their bits to the surplus of oil.

The oil world will now have to make room for Saharan crude. Now a trickle, the flow of Saharan oil can be expected to become a flood.

By 1962 or 1963, production from the desert field should be about the same order as that of Canada today and equal to the consumption of Metropolitan France.

In the long run, however, oil producers will have to worry about reserves and not surpluses, the experts say.

CENTRAL—DEL RIO OILS LIMITED

U.S.A. SUBSIDIARY CENTRAL LEDUC OILS INC.

EXPLORATION • PRODUCTION • SUPERVISION • CONTRACT DRILLING

FIELD OFFICES

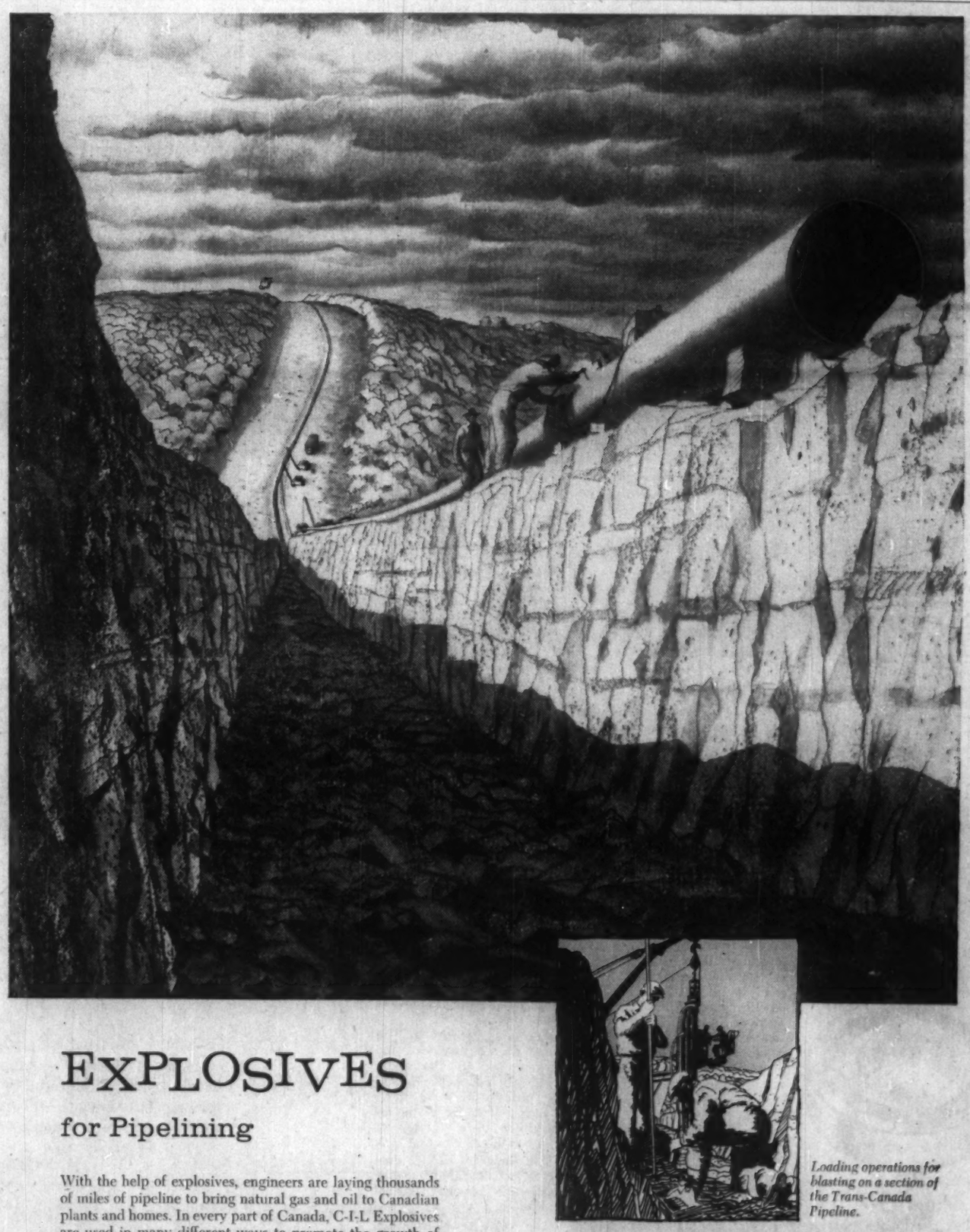
WEYBURN, SASKATCHEWAN — DEVON, ALBERTA

DISTRICT OFFICE

McCALLUM HILL BUILDING, REGINA, SASKATCHEWAN

HEAD OFFICE

224 - 9TH AVENUE S.W. CALGARY, ALBERTA



Loading operations for blasting on a section of the Trans-Canada Pipeline.

EXPLOSIVES

for Pipelining

With the help of explosives, engineers are laying thousands of miles of pipeline to bring natural gas and oil to Canadian plants and homes. In every part of Canada, C-I-L Explosives are used in many different ways to promote the growth of our nation's economy . . . in driving tunnels for the development of hydro-electric power, public works projects and for transportation . . . in building modern highways, railways and waterways . . . in mining minerals and quarrying stone . . . in the search for oil and gas . . . in developing our forest wealth.

In the full range of C-I-L Explosives, blasting agents and accessories, there is an efficient and economical product for every blasting operation. C-I-L Explosives are available wherever there is a Canadian need — through a coast-to-coast network of strategically located plants, sales offices, magazines and dealers.

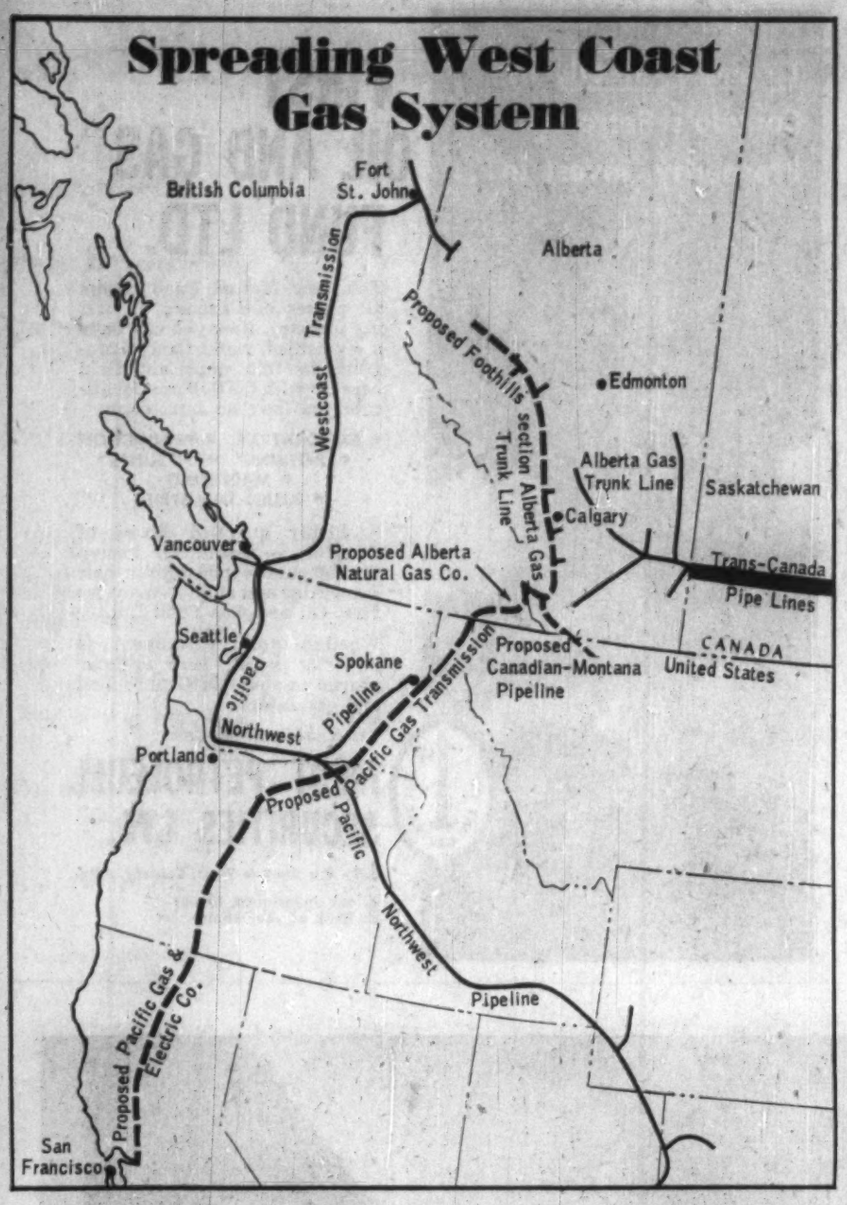
Because of their wide background of experience under Canadian conditions, C-I-L Technical Sales Representatives, located in every major industrial area across the country, provide technical service that is unsurpassed for blasting operations anywhere in Canada.

C-I-L

Explosives

"Everything for Blasting . . . Everywhere in Canada"

Amex Cilgel Dygel Forcite Monobel Nitropel Submagel
Amite C-X-L-ite Dynamex Geogel Nitrone Polar Seismocaps
Biastol Driftite Exel Giant Nitrex Stopalite Vibrex



Ontario Gas

A New Lease of Life

The oldest oil and gas area in North America got a new lease on life this year.

In one of the most significant finds since oil production first started in Ontario back in 1857, a three company team turned up an oil showing in the Windsor area.

It was the first major discovery in more than 40 years.

The oil find in the Windsor area follows hard on the heels of the rising importance of two new gas areas — offshore lands in the eastern and western sectors of Lake Erie. The Lake Erie underwater play first gained momentum in 1957, and through 1958 many new discoveries were turned up.

But this year the search for gas moved into the development stage, as the big landholders sought more production to bolster income. As a result drilling this year was featured by step-out wells from known occurrences. And as few new finds were reported, interest in the area began to wane.

The discovery of new oil reservoirs sparked renewed interest. However follow-up work on the oil may be hampered by the complicated land problems encountered in this section of Ontario. Acquisition of land by oil companies is at best a very slow procedure here as they deal with a multitude of small landholders. And discovery of oil has made the bargaining that much harder.

In April this year, **Imperial Oil** and its partners **Harvest Petroleums** and **Submarine Oil & Gas** discovered an oil pool in the Trenton limestone at a depth of about 2,200 ft. The find was made in Colchester township, about 20 miles east of Windsor. Since then successful follow-up wells have been completed on the acreage.

For Imperial and its partners this was a big find. It was the first discovery in the Trenton formation since 1917, when a well was completed at the eastern end of Lake Erie near Port Dover. The new find may be an extension of producing horizons in Ohio and Michigan, which have been in production since 1885. Wells in the U. S. fields have flowed as much as 150 bbl. per day.

And offshore from the Colchester find, **Place Gas & Oil** was quick to start follow-up drilling. Place has since made arrangements for completion of its successful wells and is gearing for production.

But everywhere else on the lake, natural gas was the target of drilling. Rapid approach of winter has already forced most of the drills off the lake.

In the remaining time before ice makes work impossible, the companies are rushing completion of gathering systems.

They want to be able to grab a piece of the expanding gas market in the rich southwestern Ontario industrial belt. And with prices running nearly triple those of Western Canadian field prices, the producers don't want to lose any time in capturing a portion of the heavy winter demand. Ontario producers receive up to 45c per mcf compared with western field price of about 13c.

This year the area's biggest producer, **Consolidated West Petroleum,** completed 11 wells, to raise its total to over 70 producers. Productive capacity was increased by over 8 million cu. ft. per day with the first six wells.

One of the West Pete wells is believed to be the largest ever completed in southwestern Ontario. It had an open flow potential of 2.8 million cu. ft. per day.

Place Gas & Oil, which only got started last year, completed eight successful wells in the Port Dover and Walpole areas at the eastern end of the lake. This raised the total to 13 wells. The other big operator in the eastern end of the lake, **Long Point Gas & Oil** added four wells this year.

EXPLORATORY WELL in Canada's Arctic is being watched carefully. Information gathered here will help whole Arctic oil play. Bulldozer is moving derrick parts from barge to shore.

Fabulous Gas Flow From New B.C. Wells

The most exciting petroleum story of the year came out of the far northeast corner of British Columbia. Although tightly wrapped in official secrecy, enough leaked out to fire the imaginations of petroleum men everywhere.

Two wells, some 60 mi. apart, in absolutely virgin territory, hit fabulously heavy gas flows. Reports were that initial open pipe tests indicated two of the biggest gas producers ever uncovered anywhere.

This has sparked one of the biggest northern exploration drives in Canada's history this winter — a drive spreading right from Fort Nelson up over the boundary into the Northwest Territories.

This story is developing in and around Fort Nelson, B.C. (Mile 300 on the Alaska Highway).

No one really knows the true potential of the biggest natural gas strike of the century. But already oil men are talking in terms of three trillion cubic feet.

According to J. H. Hirshhorn, who backed the discovery of uranium in the Blind River district, a group of international oil companies had been quietly working in this part of the Northeast corner of British Columbia for approximately eight years.

They had spent something like $10 million exploring oil and gas possibilities in the North, though they had not come into the open to obtain exploration permits which would have tied up all promising ground.

Nevertheless, during the past summer most of the oil companies had their seismic crews out all over the Fort Nelson area and as far north as the Nahanni, in the Northwest Territories. Many said it was the worst summer in living memory. For the past six months, they have been moving in their drilling rigs and general equipment for the winter drilling scheduled to begin after Christmas.

Crews were scheduled to begin moving in Dec. 1 and there were expected to be 22 totaling around 5,000 men.

Operations are pretty well spread all over this corner of the province.

In the Clark Lake-Kotcho Lake area two wildcats were expected to be drilled by **Gulf States Oil.** Already, Gulf has one rig about 8 mi. from Old Fort Nelson — across the Muskwa River—and another approximately 4 mi. out of the village just off the highway.

Kenting Aviation Ltd. of Oshawa, Ont. was photographing from 32,000 ft. The area covered from Lower Post in the north, south to Prince George and from Dease Lake in the west to the Alberta border.

Flying a Lockheed Lodestar, the crew were in the air every possible minute, sending out cartons of film with every mail.

It is expected there will be no less than 50 holes drilled this winter and that means a great deal of cash outlay.

One hole being drilled in the Fort Nelson district, has cost to date more than $1.75 million. Present depth is reported around 4,500 ft.

Indications are that at least eight companies will be operating from Fort Nelson with holes and rigs almost anywhere in the bush north of that point.

Home oil will be drilling in the famous Nahanni Valley —generally known as "The Headless Valley"—using Nahanni Butte, at the confluence of the Liard and Nahanni rivers, as their advanced base, a few miles north of the border in the N.W.T.

Arrangements have been made for the transportation of men and equipment to the advanced base the moment ice makes traveling possible.

Companies planning to become active this winter include **Shell Oil, Imperial,** Gulf States, **Royalite, Pacific Petroleum, Pan - American,** Home and **Fargo Oil.** All are optimistic about the results of their work.

Size of the planned operations can be judged by the vast numbers of heavy haulage trucks bearing rig pipe and other equipment passing into and through Fort Nelson.

Oil men believe this natural gas strike will last at least five years and indications are that a pipeline will be run from Fort Nelson south.

Dutton - Williams of Calgary, is laying a line just north of Fort St. John which is expected to become a connection of one leading out of the Beatton River area.

Pan-American is to start drilling around Lake No. 160, approximately 75 mi. north of Fort Nelson.

Shell has been operating at the foot of the west side of Steamboat Mountain (Mile 364 on the highway) and in the Prophet River Valley.

Of all the firms involved, it is generally understood that Pan-American, Gulf States Oil, Home and Shell Oil are to have the largest crews in the area.

High Wage Earners

Oil and gas labor has bumped its pay higher this year to hold its place near the top of wage-earner categories.

But the gains have been made in a relatively quiet atmosphere — in keeping with a generally peaceful labor scene in 1959.

Will it last?

The leading union — the only one of major significance — in this field is the Oil, Chemical & Atomic Workers International Union.

This is an aggressive organization which doesn't hesitate to commit itself for substantial pay hikes and more fringe benefits.

It has demonstrated this in both the oil and in the chemical field where it is also quite active.

Last year, OCAW made a last-minute settlement with **Dow Chemical,** talked up its gains for chemical workers in relation to oil and gas negotiations.

This year, the union has come through a 98-day strike at **Polymer Corp.**

Significantly, it takes the line that the real fight was by "the petro-chemical and petroleum industries to weaken the contract."

The key issues were around management rights clauses— they've been cropping up in several areas of labor relations recently.

OCAW's stand on rights is simply: No backdown.

This is one area of future negotiations in oil and gas that will bear watching.

In recent months, union agreements in oil and gas have been for pay raises in the 8c-14c hr. bracket over one-year contracts.

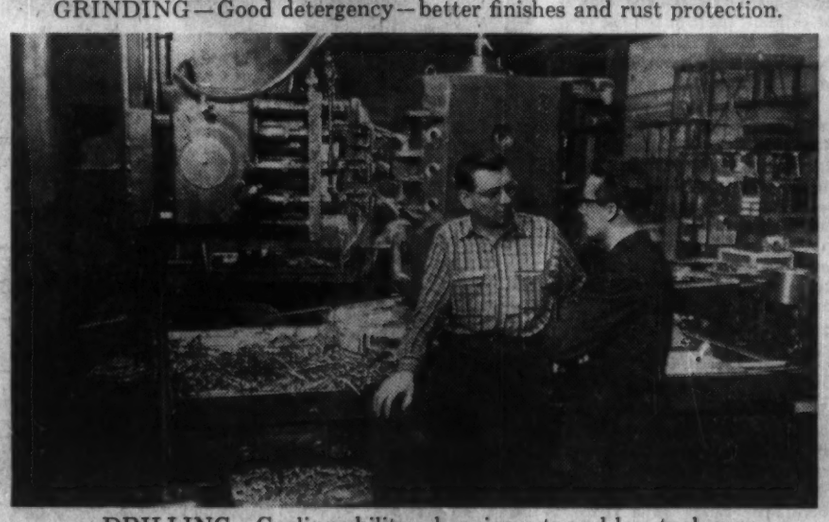
Settlements at **Shell Oil** and **Imperial** in B. C. followed this pattern.

How do workers in the industry compare now with others, as far as wages and hours are concerned?

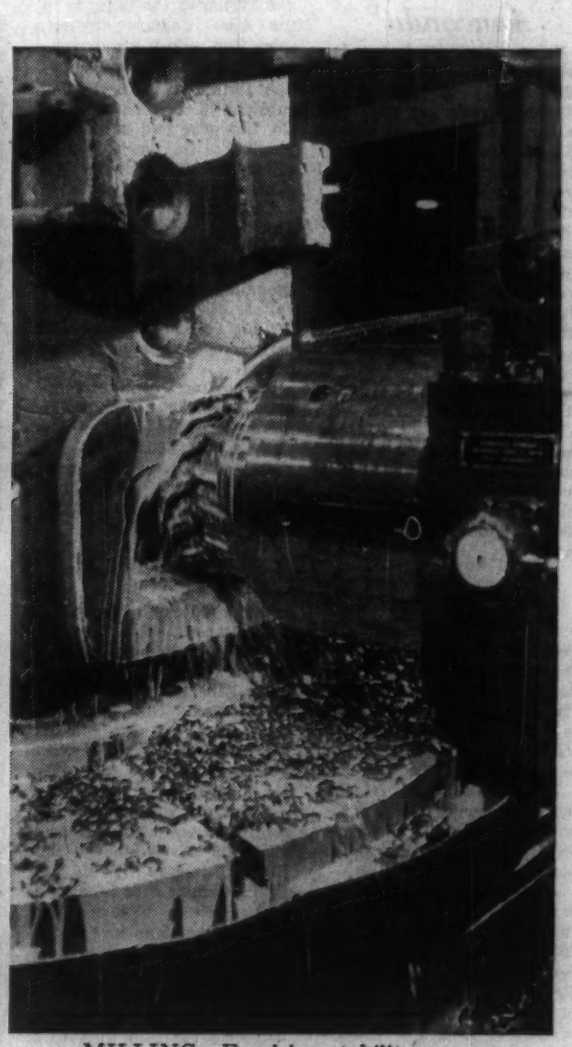
Average weekly pay in oil refining has flipped to a recent $100.29 from the 1958 average of $94.97. Average hourly earnings up to $2.45 from last year's average of $2.32. Work week is around 40.9 hr.

Oil and gas workers have average weekly take of $91.23 as measured by DBS in July this year. That's up from 1958 average of $89.20. On average these workers put in an hour's more work than refinery labor.

GRINDING—Good detergency—better finishes and rust protection.



DRILLING—Cooling ability—heavier cuts and less tool wear.



MILLING—Emulsion stability—longer life and cleaner machines.

At C.G.E., Peterborough,

S.E.C.O. APPROVED FOR PLANT-WIDE USE ECONOMIZES IN PURCHASING AND PLANT HANDLING

Further proof that Quality is the best economy of all

Sunoco Emulsifying Cutting Oil is used plant wide at Canadian General Electric Company Limited, Peterborough. Various competitive coolants had been used and it was eventually decided to adopt a soluble oil for general use.

"The Man from Sun Oil" recommended S.E.C.O., tests were run and declared a success, and wide use resulted in economy of purchasing and plant handling. Despite continuing tests on competitive products, no substitute has been found to improve on the economy and versatility of S.E.C.O.

Let "The Man from Sun Oil" talk to you about S.E.C.O. and the many other superior Sun products, or write

Sun Oil Company Limited, Industrial Products Department, 85 Bloor St. East, Toronto 5.

SUNOCO ®

MAKERS OF FAMOUS CUSTOM-BLENDED BLUE SUNOCO GASOLINES

Producers

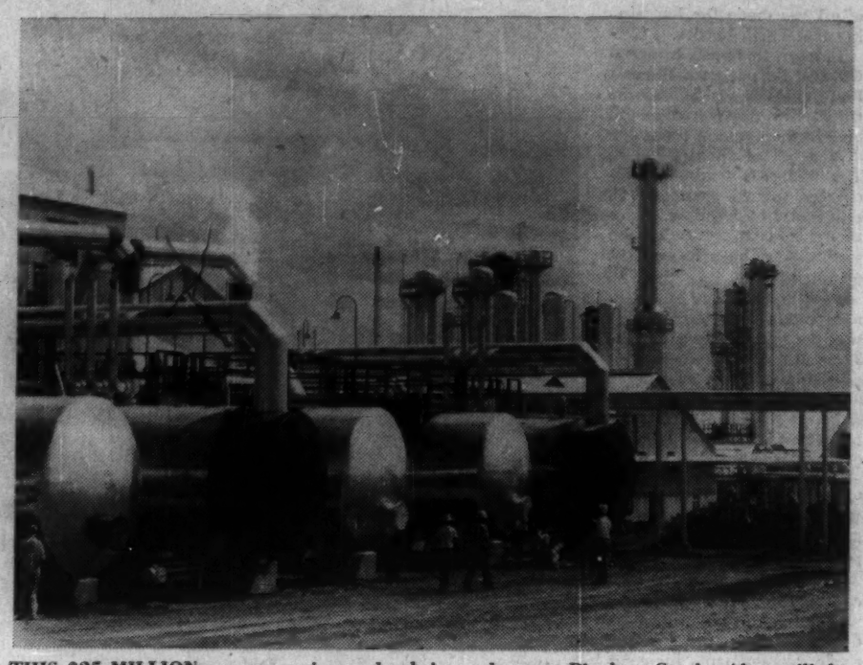
Alta. Pac. Cons.

Alberta Pacific Consolidated Oils Ltd. holds participating and royalty interests in 21 oil and 10 gas wells in Alberta, and in approximately 252,000 gross or 39,000 net acres in that province as well as British Columbia and Manitoba.

During 1958 company acquired oil production in the Leduc field and shared with the Bailey Selburn group in the purchase of additional land and gas wells at Bindloss, eastern Alberta. Reserves were estimated early this year at 750,000 bbl. primary and 1.3 million bbl. secondary recovery oil, and 15 billion cu. ft. of gas. The latter is contracted to **Trans-Canada Pipe Lines**, and deliveries commenced in 1957.

Gross income was $111,035 for the six months ended June 30, 1959, while a net profit of $53,150 was derived after providing for depreciation, depletion and development costs. Working capital amounted to $595,381 at mid-year, and included cash of $320,550 and marketable securities $259,555.

There is no funded debt nor bank loans. Issued capital comprises 2,901,758 shares out of 5 million authorized. Recently **Jupiter Oils Ltd.** acquired 300,000 shares from shareholders as an investment.



THIS $25 MILLION gas processing and sulphur plant at Pincher Creek, Alta. will be biggest supplier of natural gas to Trans-Canada Pipe Lines. This B-A plant will also be big producer of sulphur and liquid by-products.

Anaconda

Chief asset of **Anaconda Petroleum Ltd.**, its entire interest (5%) in the major Savanna Creek gas field of southern Alberta, and related liabilities of $309,412, have been assigned to **Savanna Creek Gas & Oil Ltd.** In return Anaconda received 904,000 treasury shares of that company.

Certain other assets, comprising chiefly producing royalties, were also sold to the same company for $21,931.

Directors of Anaconda now are considering a diversification of its assets, to be effected as opportunities arise.

Income totaled $3,709 for the year ended May 31, 1959. Authorized capital was doubled earlier this year to 2 million shares, of which 705,000 are issued and outstanding.

Asamera

A merger of **Asamera Oil Corp. Ltd.** with a strong independent Canadian oil company is under negotiation. The other firm is understood to hold good land and cash, but to have no substantial cash flow.

Failing completion of the merger company may seek financing to convert its short-term debt to a long-term basis.

Asamera's net operating revenue jumped to $1,339,702 for the year ended Mar. 31, 1959, from $101,013 the year previous. This reflects the first full year of ownership of the Oriental Refining Co. of Denver, Colorado, and its subsidiaries. After provision of $588,637 for write-offs a net profit of $200,649 was realized.

Sale to the City of Medicine Hat of the company's 65% interest in the Etzikom gas field and its 50% in the pipe line serving the field is being negotiated.

Discussions are also being held with the Indonesian Government regarding exploitation of licenses and applications for licenses covering 2.25 million acres in the islands of Borneo, Java and Sumatra. Some of the lands are offset by oil production but most are unexplored.

Recoverable reserves in Canada and the U. S. are stated to be 3.5 million bbls. Authorized capital is 10,000,000 shares, of which 6,059,500 are issued. Extended bank loans and mortgage notes outstanding total almost $3.2 million.

Bailey Selburn

Bailey Selburn Oil & Gas Ltd is carrying out a program of exploration which will include the drilling this year of 14 test wells in various areas of Alberta.

Much of the work will be undertaken in the Alberta foothills and adjacent deep basin area, one of the largest untested areas remaining in the province.

At the close of last year company owned the equivalent of 119 oil and 17 gas wells, plus 900,000 net acres of lease lands and 326,000 acres of reservations and permits.

Proven reserves were stated to be 33.4 million bbls. of oil and 270 billion cu. ft. of gas. Much of the latter is in the East Calgary district, sales from which are expected to begin next year.

A former contract drilling subsidiary, Trident Drilling Co. Ltd. was sold at the beginning of this year, as conditions in that industry became more difficult.

Cash earnings aggregated $1,042,704 for the first six months of 1959, compared with $989,662 for the corresponding period of last year (after eliminating contract drilling revenue for the 1958 period for comparative purposes).

Authorized capital comprises 600,000 cumulative preferred shares, 10 million class A and 600,000 class B shares. Of these 570,703 preferred, 2,908,972 class A and 564,000 class B shares are issued. There is no debt.

Banff

Oil production of **Banff Oil Ltd.** jumped 50% during the first half of the current year, compared with a 15% rise in total Alberta production in the period. Net operating profit for the six months was $115,655 compared with $170,594 for the full year 1958.

Contracts were signed recently for the sale of natural gas from the Wimborne and North Calgary fields to Trans-Canada Pipe Lines and Westcoast Transmission. These agreements cover a total of 50 billion cu. ft. and set a target date of Nov. 1, 1960, for commencement of gas deliveries, dependent on procurement of the necessary authorizations and completion of plant construction.

Prices for this gas start at 13½ cents per mfc., rising in stages to 20 cents in 20 years. Both fields also yield substantial volumes of gas liquids and sulphur. Company estimates that production from the two fields would result in the tripling of its current income.

Banff and its partners are surveying their 900,000-acre permit on the Arctic Ocean shoreline in Yukon Territory, and a small portion of company acreage in the Bethel Basin of Alaska has been included in a unit which is also under survey. In the same district Texaco is negotiating to earn an interest in company lands by carrying out exploration.

An agreement is being arranged with the Sociedad Investigadora Petrolifera S. A. (Sipsa), under which Banff may acquire up to 50% of that company's equity in approximately 170,000 acres in the Pyrenees section of the Ebro Basin, Spain. Sipsa also plans to apply to the Spanish Government for additional permits in Spain and the Spanish Sahara.

Reserves of Banff are estimated at 5.6 million bbls. of proven oil and gas liquids and 43.7 billion cu. ft. of gas. Issued capital is 3,560,601 common and 3,257 of 5% cumulative preferred shares.

Britalta

Britalta Petroleums Ltd. has agreed to sell one of its major assets, its 50% stake in the Many Island Lake gas field in eastern Alberta, to the Saskatchewan Power Corp. Sale price is $10 million, payable $1 million in cash and the remainder in 5¼% 20-year Province of Saskatchewan bonds.

Interests are also held in 34 gas and oil wells in other fields, including a small stake in 100,000 acres in Venezuela. On a block of 25,000 acres in Lake Maracaibo in that country, seven wells have been completed as oil producers with potentials ranging up to 4,900 bbl. per day. Production from here commenced last April and recently was averaging about 4,500 bbl. daily.

Wholly owned subsidiaries, **Wilshire Oil Co.** and **Colonial Petroleums Ltd.**, operate in the U. S. and Ontario, respectively.

Reserves, both proven and probable, are estimated at 393 billion cu. ft. of gas, 437,000 bbl. of oil, distillate and condensate and 103,000 tons of sulphur. Most of the gas is in the Many Island Lake field. Venezuela is not included in the oil figure.

Consolidated net working capital was $426,124 at June 30, 1959. Consolidated net loss for the half year to that date was $424,095 after write-offs and other non-cash items of $313,299.

Term debt comprises almost $400,000 of 6% debentures due 1961, and there are 3,902,085 shares issued.

Basco

Shareholders of **Basco Oil & Gas** have approved a proposed merger with **Provo Gas Producers.** Under the arrangement, as approved late in November, Provo will take over Basco on a share exchange basis of one-for-three.

At March 31, 1959, Basco had current assets of $231,962 including $66,770 cash. Current liabilities were $2,421.

In addition to interest in five producing oil wells in Manitoba, Basco has acreage interests in the other western provinces.

Feature of operations last year was discovery of gas on a block of ground in northeastern British Columbia in which Basco has a 25% interest.

Calgary & Edmonton

Calgary & Edmonton Corp. Ltd. derives its revenue from the granting to others of leases and options to lease the oil and gas rights owned by the corporation on some 1.1 million acres in southern Alberta, from royalties and/or participations in producing wells completed on the properties, and from participations in exploration on acreage in Alberta acquired jointly with other operators.

Lease rental and option income has been reduced by Western Canada's oil marketing problems, but the decline has been more than offset by greater production income due to the completion of new producers. Net profit was equal to 24 cents per share for the first half of 1959, compared with 23 cents for the corresponding period of 1958 and 43 cents in the final half of that year.

At mid-1959 the corporation owned or held interests in 322 producing oil wells, including 13 brought in during the half year. One gasser was completed and capped during the period. The successful wells were located in the Harmattan, Garrington, Innisfail and Westward Ho fields. Six wildcats shared in were all abandoned, but geological information obtained from them will be of value in determining future action in the areas concerned.

In addition to the mineral rights owned by the corporation, it holds participating interests in 2.1 million acres, or 547,000 acres net to it. Working interests have since been picked up in a further 440,000 acres.

There is no term debt, and only 2,415,100 shares are issued. Dividend of 10 cents per share have been paid each year since 1941.

Cdn. Superior

A significant source of future income for **Canadian Superior Oil of California Ltd.** will be a number of natural gas processing plants planned to be constructed in Alberta, and in which the company will invest.

One such plant at Nevis is expected to be in operation before the end of this year, and five others are scheduled

(Continued on page 66)

FIRST OIL AND GAS FUND LTD.

This new Mutual Fund covers all phases of Canada's oil and gas industry. Now you can have a diversified, well-balanced program in this important field because with ONE Share Certificate you have an interest in:

- EXPLORATION
- PRODUCTION
- REFINING
- PIPELINES
- MARKETING
- ALLIED INDUSTRIES

A highly qualified Board of Directors — executives known throughout the industry for their knowledge and ability—manages First Oil and Gas Fund Ltd.

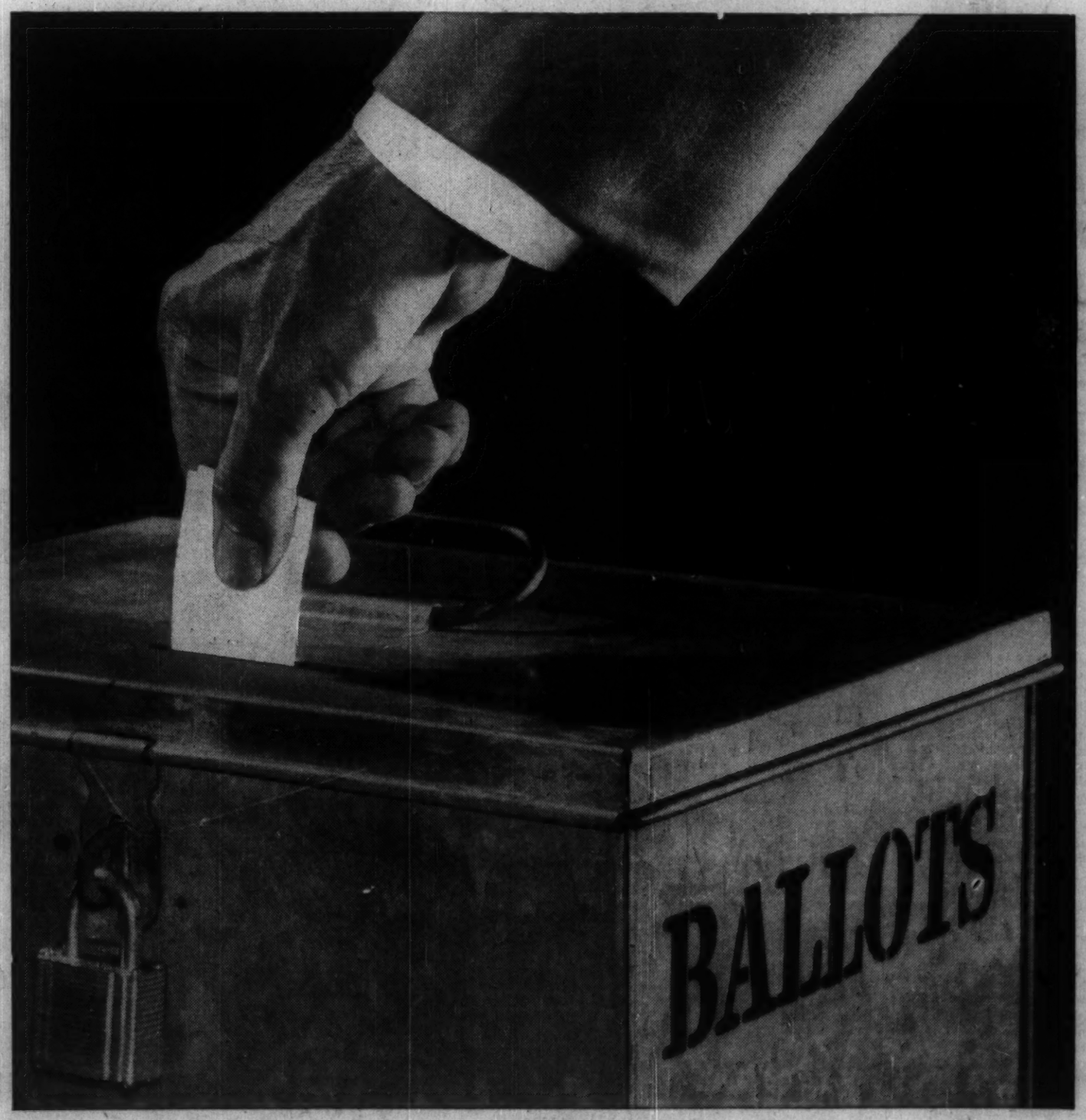
Whether your investment is large or small, here is your chance to share in Canada's oil and gas future.

Get complete details from

FIRST PETROLEUM SECURITIES LTD.

320 - 9th Avenue West, Calgary, Alta.

or the Investment Dealer or Bank of your choice.



the most important piece of paper in Canada

It's not a big contract; not even a great government document. It's the ballot a Canadian uses to cast his vote in an election.

The right to vote, freedom of the press, the right to free expression, to trial by jury, to an education for our children are to be treasured among the blessings of our nation. And high among them is the right to compete, to contend for business through service and through research leading to high-quality, low-cost products.

Shell Oil Company of Canada, Limited stands up and is counted among those who believe that *all* these liberties—and not least those inherent in our system of free enterprise—must be preserved with care and vigilance.

SHELL OIL COMPANY OF CANADA, LIMITED

Capacities of Operating Refineries

Name of Company	Refinery Location	Crude Oil Capacity (Bbl. per 24 hrs.)	Refining & Processing Capacity	Plant Units
Nova Scotia				
Imperial Oil	Imperoyal (Halifax)	49,000	13,500	Catalytic
			6,300	Catalytic reforming
			4,500	Catalytic polymerization
New Brunswick				
New Brunswick Oilfields	Weldon	300	....	.....
Quebec				
British American Oil	Montreal East	50,000	22,000	Catalytic
			630	Catalytic polymerization
			13,000	Catalytic reforming
Canadian Petrofina	Pte. aux Trembles	30,000	20,000	Catalytic
			4,500	Catalytic reforming
			1,500	Alkylation
			4,000	Fluid coking
			300	Catalytic polymerization
Imperial Oil	Montreal East	71,800	19,500	Catalytic
			10,500	Thermal
			5,000	Catalytic polymerization
			9,450	Catalytic reforming
Texaco Canada	Montreal East	59,000	20,000	Catalytic
			12,000	Thermal
			11,000	Catalytic reforming
			1,500	Catalytic polymerization
Shell Oil of Canada	Montreal East	62,000	23,500	Catalytic
			9,000	Thermal
			8,000	Platforming
			1,200	Catalytic polymerization
			1,500	Alkylation
Ontario				
British American Oil	Clarkson	61,500	18,000	Catalytic
			8,000	Catalytic desulfurization
			1,260	Catalytic polymerization
			10,000	Catalytic reforming
Canadian Husky Oil	Fort William	4,000	1,000	Catalytic reforming
			1,000	Dieselforming
Canadian Oil Companies	Sarnia	50,000	3,500	Thermal
			10,400	Catalytic reforming
			14,000	Catalytic (fluid)
			1,700	Catalytic polymerization
			3,650	Udex
Imperial Oil	Sarnia	94,500	20,000	Catalytic
			16,000	Thermal
			28,000	Delayed coking
			15,000	Catalytic reforming
Regent Refining (Canada)	Port Credit	20,000	2,100	Platforming
			3,600	Thermal
			7,000	Catalytic
			660	Catalytic polymerization
Sun Oil	Sarnia	15,000	11,000	Catalytic
Cities Service Oil	Bronte	20,000	7,000	Catalytic
			3,500	Catalytic reforming
			3,500	Catalytic desulfurization
Manitoba				
Anglo-Canadian Oils	Brandon	3,000	1,375	Thermal
			35	Catalytic polymerization
			1,000	Platforming
Imperial Oil	Winnipeg	18,000	6,500	Catalytic
			650	Alkylation
			3,400	Catalytic reforming
North Star Oil	St. Boniface	12,000	5,200	Catalytic
			450	Catalytic polymerization
			2,700	Platforming
Radio Oil Refineries	Winnipeg	2,000	....	.....
Saskatchewan				
British American Oil	Moose Jaw	15,000	4,500	Catalytic
			1,500	Thermal
			2,250	Delayed coking
			390	Catalytic polymerization
			5,400	Catalytic reforming
Consumers' Co-Operative Refineries	Regina	16,000	6,500	Vacuum distillation
			5,000	Catalytic
			3,000	Low pressure coking
			500	Catalytic polymerization
Canadian Husky Oil	Moose Jaw	3,000	600	Catalytic reforming
			1,000	Dieselforming
Imperial Oil	Regina	22,500	8,500	Catalytic
			4,500	Thermal
			2,000	Catalytic polymerization
			3,000	Catalytic reforming
Northern Petroleum	Kamsack	1,000	....	.....
Royalite Oil:				
Coleville Refinery	Coleville	5,000	....	.....
Prince Albert Refinery	Prince Albert	1,000	....	.....
Royalite Hi-Way	Saskatoon	8,000	2,600	Catalytic
			400	Catalytic polymerization
Alberta				
Anglo-American Exploration	Hartell	4,000	1,500	Thermal
			1,000	Catforming
Bonnyville Oil Refineries	Bonnyville	1,000	....	.....
British American Oil	Calgary	7,500	2,500	Thermal
			3,000	Catalytic reforming
British American Oil	Edmonton	8,500	2,000	Catalytic
			5,400	Catalytic reforming
			1,400	Thermal
			2,100	Delayed coking
Canadian Husky Oil	Lloydminster	8,500	500	Catalytic reforming
			1,000	Catalytic desulfurization
Canadian Kodiak Refineries	Lloydminster	4,000	....	.....
Imperial Oil	Calgary	14,700	4,600	Thermal
			870	Alkylation
			7,000	Catalytic
			3,000	Catalytic reforming
Imperial Oil	Edmonton	28,500	8,000	Catalytic
			9,100	Thermal
			2,000	Catalytic reforming
Texaco Canada	Edmonton	12,000	4,000	Catalytic
			3,000	Catalytic reforming
			2,700	Thermal
			2,000	Delayed coking
			250	Catalytic polymerization
North Star Oil	Grande Prairie	2,500	875	Catalytic reforming
			850	Thermal
Wainwright Producers & Refiners	Wainwright	4,000	....	.....
British Columbia				
Imperial Oil	Ioco (Vancouver)	32,000	7,600	Catalytic
			2,340	Catalytic polymerization
			5,000	Catalytic reforming
Royalite Oil	Kamloops	5,000	1,400	Catalytic
			250	Catalytic polymerization
			1,000	Catalytic reforming
Shell Oil of Canada	Shellburn (Vancouver)	22,000	5,000	Catalytic
			4,500	Thermal
			2,500	Platforming
Standard Oil of B. C.	Burnaby	18,900	9,900	Catalytic
			2,650	Catalytic polymerization
			3,000	Catalytic reforming
X-L Refineries	Dawson Creek	2,500	740	Thermal
			500	Catalytic
British American Oil	Port Moody	20,000	9,000	Catalytic
			4,000	Catalytic reforming
			4,000	Catalytic desulfurization
			1,050	Alkylation
Northwest Territories				
Imperial Oil	Norman Wells	1,350	....	.....

Refineries Grow Despite Problems

Canadian oil refineries will continue to expand in 1960, but they are encountering problems that cut a substantial slice off profits.

The average motorist now pays 18% less to drive a mile than he did in 1939, say refiners. But producers of gasoline are seeing their income per dollar spent decrease.

There has been a substantial increase in refinery throughput, but prices for petroleum products have remained low. Hardest hit are the Montreal refiners who have lost part of their business in the huge Ontario market to local refiners.

Despite a bustling economy, requiring more and more petroleum products, the outlook for 1960, although bright on paper, is for very careful planning, moderate expenditure, and round-the-clock attention to the marketing of products.

Four out of five refiners and distributors expect sales to go up between 3% and 10%. However, tough competition and price wars are by no means a thing of the past.

In the course of 1960, two large new refineries will come on stream. Both are located in Eastern Canada. **Irving Refining Ltd.** expects to start operations at its $50 million Saint John, N.B., plant next April. Refinery has a crude capacity of 40,000 bbl. per day.

B. P. Canada, British Petroleum subsidiary, will add 30,000 bbl. crude capacity per day to the Montreal refining strength when its $60 million plant at Ville d'Anjou comes on stream next spring.

Total capacity of refineries in 1959 increased about 56,000 b/d to 890,550 b/d, as of Nov. 1, 1959. The previous year's increase was 60,000 b/d to a total capacity of 834,650 b/d.

Crude receipts in 1959 are likely to average for the first time ever considerably more than 700,000 b/d. The all-1959 estimated average calendar day receipt of crude is 730,000 b/d, an increase of 11% over the 1958 average of 654,000 b/d. (Estimate is based on receipts during the first eight months of this year.)

Crude throughput at refineries is up roughly 11% as well, with the percentage of domestic crude used up 11.31% to 417,000 b/d, and of foreign crude up 11.72% to 313,000 b/d.

In 1959, domestic crude used was 57.13% of total, compared with 57.99% in 1958.

Refining capacity has not quite followed this increase. Last year refineries ran at 79.5% of capacity. The increase for 1959 is to 83.4%.

Refineries do not usually operate at full capacity, except during recent years in Montreal, where the industry was reluctant to expand in view of pressure in some circles to increase the use of domestic rather than of foreign crude.

Refiners elsewhere have shared the Montreal hesitation, though to a lesser degree. Reported actual expenditure for refinery expansion and improvement in 1959 is down nearly 10% from 1958. Expenditure is expected to be lower again in 1960.

The cost of construction and expansion completed or under way in 1959, is expected to total $110 million. This compares with some $120 million in 1958, $110 million in 1957 and $75 million in 1956.

Since 1949, the refining industry in Canada has spent some $750 million on well over half a million barrels per day added crude capacity.

These are the major projects completed or under way this year:

Imperial Oil increased crude capacity of its Halifax refinery to 49,000 b/d and expanded its asphalt plant there. Company built powerformer catalytic reformer with 3,000 b/d capacity at Regina, Sask. A 650 b/d alkylation unit was added to the Winnipeg plant.

At Calgary, Alta., a 7,250 b/d addition to the crude capacity was completed, together with a fluid catalytic cracking unit, 7,000 b/d, and a 3,000 b/d powerformer catalytic reformer.

At Edmonton a 1,500 b/d asphalt plant was completed. Company's Sarnia refining capacity was stepped up 17,500 b/d to 94,500 b/d.

Under construction is a 1,500 b/d alkylation unit at Edmonton, slated for completion early 1960.

Canadian Petrofina spent $1 million on expanding and improving its facilities at Pointe-aux-Trembles, adding a 1,500 b/d alkylation unit, a 4,000 b/d fluid coking unit and a 300 b/d polymerization unit.

Texaco Canada is adding a 2,000 b/d alkylation unit and a vacuum unit to its Montreal works. It will install a 5,400 b/d catalytic reformer at Port Credit.

Shell Oil's distillate hydrodesulphurizer went on stream early this year at company's Shellburn refinery at Vancouver.

Under way is a platformer bottleneck removal program at the Montreal East refinery. Slated for early construction there is a distillate hydrotreating unit.

No starting date has been set for the construction of Shell's planned new refinery at Bronte, Ont.

Royalite Oil increased crude capacity of its Saskatoon refinery from 6,500 b/d to 8,000 b/d.

Sun Oil is installing a 3,300 b/d visebreaker unit at its Sarnia refinery.

British American Oil enlarged at Clarkson its catalytic unit to 18,000 b/d and switched the thermal unit to 8,000 b/d catalytic desulphurization. At Calgary company increased to 3,000 b/d its catalystic reforming unit. Near Toronto, a $3 million alkylaton unit with 3,000 b/d capacity is being added to the Clarkson refinery.

Canadian Oil Companies completed its 20,000 b/d crude unit at Corunna, Ont. Engineering for the new refinery at Red Deer, Alta., will be completed this year.

Royalite Oil suspended operations of its Saskatchewan refineries at Coleville and Prince Albert.

Bonnyville Oil Refineries closed its plant at Bonnyville, Alta. These measures reduced the crude oil capacity of operating plants by 7,000 b/d.

On the whole the industry has kept pace with the demand for more and higher quality petroleum products.

Since 1945 crude oil processing capacity as well as cracking capacity have increased by more than 350%. Total catalytic cracking capacity is about 45% of the crude oil capacity and reforming capacity is roughly 18% of refineries' crude capacity.

These percentages are about the same as in the U. S. and the U. K.

Two thirds of all Canadian reforming capacity is in Ontario and Quebec.

Four companies owned outside Canada account for roughly 75% of total refining capacity in this country. They are: Imperial Oil with 41%, B.A. with 13%, Shell Oil with 10.5% and Texaco with 10%.

This links the future of the oil industry in Canada closely to the international scene. But as far as Canada is concerned, the big question for the future is whether the industry here will continue to develop with Montreal and Sarnia leading the way.

Growth in these centres has been caused by the presence of a vast and greedy market, coupled with the easy supply of foreign crudes by ship and pipeline into Montreal.

Crude production in the Prairies will continue to go up and increasing quantities of natural gasoline will be recovered from wet gas.

The demand for heating and diesel oil and high-octane jet fuel will be growing substantially. The largest Canadian airlines expect delivery of their giant jets beginning this winter and during 1960. Other airlines operating into Canada will add to the demand.

Not long ago refining was just a matter of separating the various components of crude oil. A relatively small part of the crude was utilized. Now, refining is an intricate chemical operation.

There is every indication that the refining industry has begun an easing of the growth rate of the last 10 years. Little doubt could exist, however, concerning the industry's long-range prosperity. The forecast is for a two million bbl. per day crude use by 1985.

In terms of product quality, more efficient jet fuels will be needed. It is expected that the present demand of 10,000 b/d will have quadrupled in 1965. At present the demand is for a kerosene and a gasoline type. It is still an open question how refiners are going to cope with this problem.

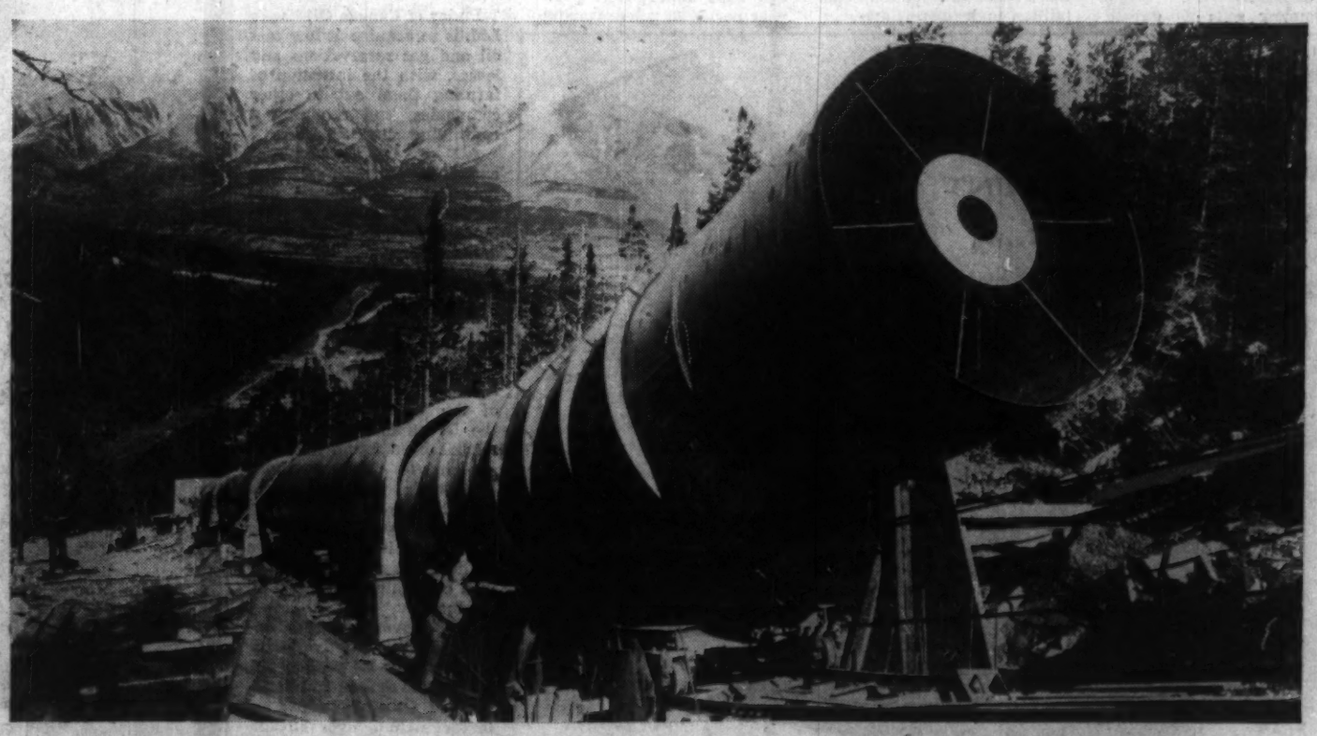
Premium gasolines for automotive use are still subject to further research in octane-rating. However, the mad rush for more power in cars seems to be slowing down for a while. Increased use of alkylation — process by which certain hydrocarbon gases are turned into a high-octane blending agent — is likely to continue with unit expansions and conversions planned for next year in a number of refineries.

As far as distillate is concerned, lower sulphur content is indicated, judging from the growing use of desulphurization methods in practically all refineries.

Oil Refinery Capacity By Provinces

Barrels per day

	Nov. 1959		Nov. 1958		Nov. 1957		Nov. 1956	
	Crude Oil	Cracking	Crude Oil	Cracking	Crude Oil	Cracking	Crude Oil	Cracking
N.S.	49,000	13,500	44,500	17,000	44,500	17,000	42,000	13,800
N.B.	300	....	300	....	300	....	300	....
Que.	272,800	136,500	270,800	136,500	260,800	131,200	247,000	139,700
Ont.	265,000	100,100	230,000	97,200	207,500	90,600	164,500	82,900
Man.	35,000	13,075	35,000	12,465	35,000	7,375	32,000	11,175
Sask.	71,500	24,000	70,000	24,000	71,000	26,600	71,000	32,800
Alta.	95,200	36,650	87,250	34,050	86,150	34,850	82,400	36,150
B. C.	100,400	38,640	95,500	36,690	68,000	28,340	67,000	26,100
N. W. T.	1,350	....	1,300	....	1,300	....	1,300	....
Total	890,550	362,465	834,650	257,905	774,550	335,965	707,500	342,625



super highway to 50 million watts

* *The special steel used in the penstock is "T-1" steel developed by United States Steel Corporation and fabricated by Dominion Bridge Co. Ltd. in Calgary.*

- The $6,500,000 Spray Hydro Plant extension is scheduled to produce power by the Autumn of 1960.
- Plant capacity will be doubled to 100,000 Kilowatts.
- The giant penstock pipes are fabricated out of special* high tensile steel.
- This is the first time this steel has been used on a hydro power project in North America.
- Calgary Power Ltd. is building for the future of Alberta — today.

CALGARY POWER LTD.
Serving the province of ALBERTA

Producers

(CONTINUED FROM P. 64)

to be built during the next two years.

Participations in the drilling of 256 wells were taken during the year ended Aug. 31, 1959. These resulted in completion of 152 oil producers, 6 gas wells and 98 dry holes. Four of the ventures were wholly-owned, 65 were drilled jointly with others, 121 were on farmouts under which the company retained joint or royalty interests, while dry hole, bottom hole or other contributions were made to the remaining 66 wells.

Company now owns the equivalent of 323 oil and 16 gas producers, while net undeveloped acreage totaled 1.81 million acres in Western Canada.

More than 3.8 million acres in the Yukon and Northwest Territories, held by the company and Canadian Husky, have been turned over to a U. S. group for exploration. The two companies were reimbursed their expenditures and retained a carried interest. Test drilling is tentatively planned for the coming winter.

Net production for 1959 fiscal year was 4,030,832 bbls., returning a revenue of $9,791,855. Net loss was $146,111 after write-offs totaling $3,001,523. Working capital at Aug. 31, 1959, was almost $4 million.

Bank loans under a credit agreement aggregate about $11 million. Of the 4,479,000 shares issued, 2.3 million are held by The Superior Oil Co. of Los Angeles.

Cons. West

Consolidated West Petroleum Ltd. owns 68 producing gas wells underlying Lake Erie offshore from the Tilbury gas field in southwestern Ontario.

Landholdings consist of three lease blocks totaling some 52,000 acres, extending out into the lake for about eight miles from shore. All of these blocks are productive of gas from the Guelph formation at depths ranging from about 1,150 to 1,350 ft.

During the 1959 drilling season 12 wells were put down on the two leases farthest from shore, resulting in the completion of 10 producers and only two dry holes. The drilling is carried on from nine special towers owned and operated by a subsidiary, **Underwater Gas Developers Ltd.**, which is 85% owned by West.

Company sells its gas to **Union Gas Co.** under long-term contracts at 35 cents per .mcf. Proven reserves have been very conservatively estimated at more than 40 billion cu. ft.

Gas sales grossed $780,366 in 1958, and for the first half of 1959 were stated to have increased by more than $75,000 over the comparable period of 1958. Cash income for 1958 was $600,619, while a net profit of $514,191 was retained. Working capital was $657,172 at the end of last year.

Capital comprises $475,000 of 5¼% debentures due Nov. 1, 1961, and 2.5 million common shares of which 1.1 million are outstanding.

Cdn. Delhi

Canadian Delhi Oil Ltd. has a substantial equity in **Trans-Canada Pipe Lines, Quebec Natural Gas Corp.** and **Alberta Gas Trunk Line**, and owns the equivalent of 15 oil and 31 gas wells in Alberta and Saskatchewan.

Acreage spread comprises about 1,247,000 gross or 470,000 net acres in those two provinces as well as Ontario and Algeria.

Current exploration in Western Canada is being directed largely toward increasing its gas reserves, which are chiefly in the Cessford and Medicine Hat areas of eastern Alberta. Gas sales from here are expected to reach 52 million cu. ft. per day by the end of this year.

In Algeria a subsidiary has 30% working interest in a permit covering 445,000 acres lying between oil and gas producing areas in the Sahara Desert. Further lands have been requested and application has also been made to the French government for permission to build a natural gas pipeline through Morocco to Europe. The subsidiary, **Franco-Delhi S. A.**, would have a 15% stake in the line.

Gross revenue for the first half of 1959 totaled $803,556 compared with $111,697 for the comparable period of last year. Working capital at the end of 1958 amounted to $3,208,767.

Term debt consists of $10 million 5½% convertible debentures due 1973 and a production loan of $15 million due 1974. Authorized capital is 7,775,765 shares and 4,191,513 are issued.

Calalta

Calalta Petroleums Ltd. has a share in more than one million undeveloped acres in Alberta, mostly being explored by major oil companies at their own cost.

Largest part of the company's oil production comes from its 12% to 16% interest in 200,000 acres in the Normandville area of northwestern Alberta, where 14 oil and 3 gas wells have been completed. Main productive horizon is the Devonian but oil has been encountered in 3 and gas in 6 other zones. Some of the Devonian wells are to be completed as dual-zone producers from both the D1 and D3 sections, to give a greater flow at moderate cost. Company's share of proven reserves here is 1.2 million bbl. of oil and 9.5 billion cu. ft. of gas.

A large gas strike was made early this year by **Shell Oil Co.** on the company's 19,000-acre Carbondale reservation in southwestern Alberta. Calalta's 12¾% stake in these reserves, based on the one well, is estimated at 40 billion cu. ft. A market for the gas is anticipated between 1961 and 1963.

Other large company-interest reservation or lease blocks farmed out to others lie in the Savanna Creek, Coleman-Crow's Nest Creek, Brewster Ranch, Bighorn Basin, Kananaskis, Flat Lake and other districts.

Calalta also has 100,000 shares and 25,000 share purchase warrants of an affiliate, **Canada Oil Lands Ltd.**

Income totaled $48,957 for 1958. There are 3,750,005 shares issued.

Cons. Mic Mac

Consolidated Mic Mac Oils Ltd. and an affiliate have undertaken a continuous development program on 10 quarter-sections selected from a drilling reservation in the Lobstick area just north of Pembina. Mic Mac has 31¼% of the project.

Company has interests in more than 150 oil and gas wells and owns the equivalent of about 655,000 acres out of a total holding of 2.5 million acres, chiefly in Western Canada, the Yukon and Northwest Territories, and Alaska.

Development has also been carried out this year in the Pembina and Swan Hills oil fields and the Medicine Hat and South Provost gas areas, all in Alberta. Some 7.5 billion cu. ft. of the Provost gas are contracted to **Trans-Canada Pipe Lines** over a 25-year period at prices starting at 13¼c per mcf. Deliveries were to commence this year, and a gas processing plant has been built there by the company and **Canadian Chieftain Petroleums.**

Company owns 100,000 shares and manages the operations of its affiliate, **Mayfair Oil & Gas Ltd.** and has an option to purchase a further 500,000 shares of that company.

Working capital stood at $287,000 at the end of August, with no bank loans or funded debt outstanding. However, a $500,000 line of bank credit is available should additional funds be required for development purposes. Income increased by 21% to $276,827 during the first half of the current fiscal year.

Charter

Charter Oil Co. Ltd. has a share in more than 33 producing oil and 12 gas wells in Western Canada and in over 3.1 million acres there and in the Yukon and Northwest Territories and Montana.

A number of large permits totaling about 1.2 million acres in northeastern British Columbia are farmed out to other companies, with Charter retaining working or carried interests of from 4.16% to 25%. Several gas discoveries have been made on these lands and exploration is continuing.

The Yukon and N.W.T. properties comprise 100% of a 148,046-acre permit in the Eagle Plain area and 374,125 acres in the Mackenzie River Basin. Applications have also been filed covering 1.5 million acres in the Canadian Arctic Islands.

A wholly owned subsidiary, Charter Drilling Co. Ltd., owns and operates two rigs with rated capacities of 6,000 ft. Charter holds about 7½% share equity in Northern Ontario Natural Gas Co. Ltd., a natural gas distributor in Ontario, and 50% of Magna Pipeline Co. Ltd. The latter proposed to construct and operate an underwater pipeline to transport gas from the B.C. mainland to Vancouver Island.

Authorized capital of Charter is 4 million shares, of which about 1.6 million remain in the treasury. Funded debt consists of $2.25 million (U. S.) of 5¾% subordinate convertible debentures due 1972.

Cda. Oil Lands

Policy of **Canada Oil Lands Ltd.** is to acquire at low cost oil and gas reservations and leases, with the intention of farming them out to other companies, and retaining a continuing share therein.

All of its landholdings available for farmout are now being maintained and explored by others. Certain lands not available for these arrangements are under exploration by the company in association with partners.

In the latter category is a large spread at Normandville in northwestern Alberta, where 14 oil and 3 gas wells have been brought in. Most of the wells produce from the Devonian formation but oil has been found in 3 and gas in 6 other horizons. Company's interest runs from 10% to 20%.

A gross overriding royalty is also held in more than one million acres in Saskatchewan containing about 100 oil producers.

Net proven reserves increased substantially during 1958 to some 1.4 million bbl. of oil, both drilled and undeveloped. Other developed reserves include over 40 billion cu. ft. of gas, 700,000 bbl. of gas liquids and 250,000 long tons of sulphur.

Sales of crude oil aggregated $44,186 in 1958 while royalty income was $114,876. Working capital of $35,776 at the close of last year has since been improved by $130,000 from sale of 80,000 treasury shares.

Cdn. Export

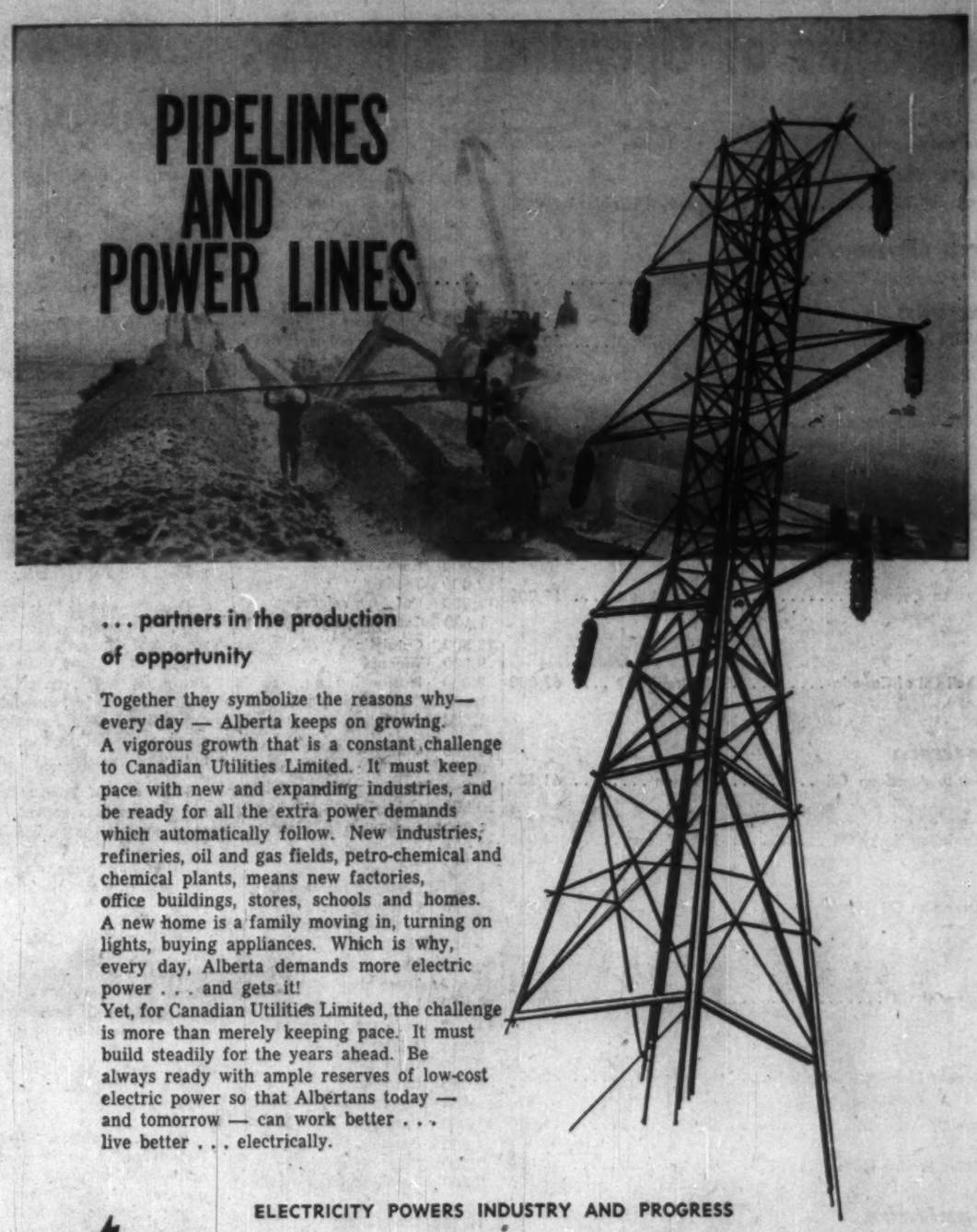
Canadian Export Gas & Oil Ltd. holds contracts covering sale of gas from seven fields in Alberta and involving a total of 263 billion cu. ft. to the company's interest. Another five contracts in which its share would be 93 billion cu. ft. are under negotiation.

Most of the gas is dedicated to **Trans-Canada Pipe Lines** at initial prices of 10c and 13¼c per mcf, with provision for gradual increases to 15¾c and 18¾c.

Production of gas by the company rose to 1.9 billion cu. ft. in the year ended April 30, 1959, from 288 million cu. ft. the year previous. The 1959 figure represents a full year's production from the Bindloss field but an average of only a half-year from four other fields which were placed on delivery during the last four to eight months of the period.

Share of oil sales from its 62 net wells increased to

(Continued on page 68)



. . . partners in the production of opportunity

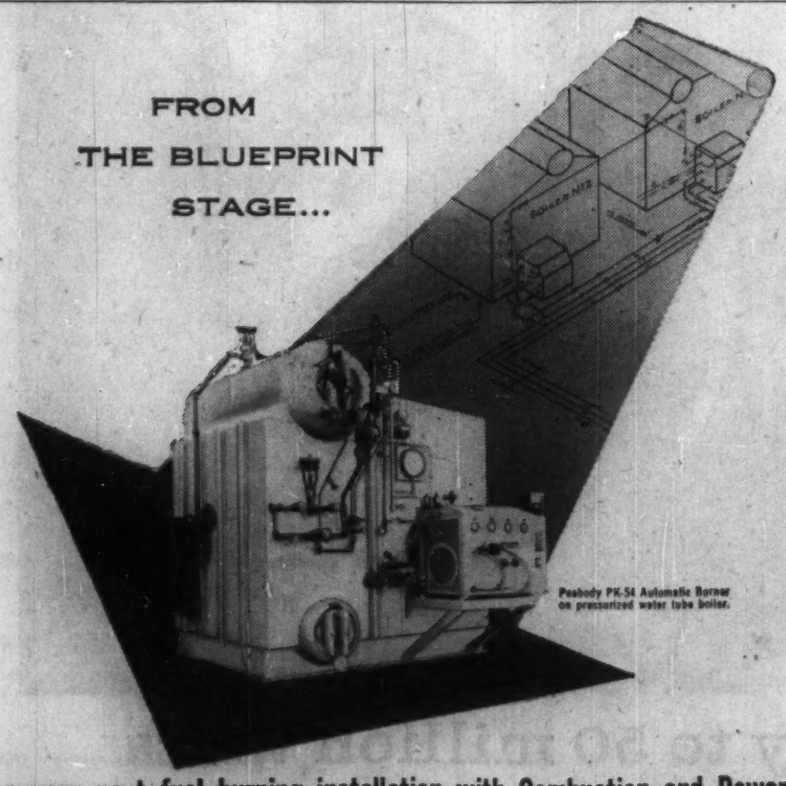
Together they symbolize the reasons why—every day — Alberta keeps on growing. A vigorous growth that is a constant challenge to Canadian Utilities Limited. It must keep pace with new and expanding industries, and be ready for all the extra power demands which automatically follow. New industries, refineries, oil and gas fields, petro-chemical and chemical plants, means new factories, office buildings, stores, schools and homes. A new home is a family moving in, turning on lights, buying appliances. Which is why, every day, Alberta demands more electric power . . . and gets it!
Yet, for Canadian Utilities Limited, the challenge is more than merely keeping pace. It must build steadily for the years ahead. Be always ready with ample reserves of low-cost electric power so that Albertans today — and tomorrow — can work better . . . live better . . . electrically.

ELECTRICITY POWERS INDUSTRY AND PROGRESS

C·U·L CANADIAN UTILITIES LIMITED

"Power for Alberta's Progress"

FROM THE BLUEPRINT STAGE...



Peabody PK-54 Automatic Burner on pressurized water tube boiler.

Plan your next fuel burning installation with Combustion and Power

Combustion & Power Equipment Ltd. offers complete "turn-key" installation of oil, gas, or oil/gas burning systems.

A permanent staff of qualified engineers and technicians supervise and execute every detail, from shop drawings to final installation of: — *fuel storage; pumping and heating system; electronic flame safeguards; combustion controls; piping; wiring; and burners.*

Combustion & Power Equipment Ltd. represents leading manufacturers of equipment for every heating, power, and process application. A nationwide network of service affiliates insures continuous performance. Your inquiries are invited.

COMBUSTION & POWER EQUIPMENT LIMITED

Head Office & Plant
2685 Bates Road, Montreal, P.Q.

Service & Sales Office
3185A Bathurst Ave., Toronto, Ont.

Representing: PEABODY ENGINEERING CORPORATION: ENTERPRISE ENGINE & MACHINERY CO.: PETRO-CHEM DEVELOPMENT CO. INC.

WAINOCO

Serves the West

in production . . . in refining—
and in the marketing of
highest quality petroleum products.

GASOLINES | DIESEL FUELS | DOMESTIC HEATING OILS

AVIATION JET FUELS | INDUSTRIAL FUEL OILS | ASPHALTS

WAINWRIGHT PRODUCERS & REFINERS LTD.
WAINWRIGHT and EDMONTON, ALBERTA

HIGHEST QUALITY PETROLEUM PRODUCTS

The Financial Post

Vol. LIII | Member of Audit Bureau of Circulations | Publication Office: Toronto, December 5, 1959 | Twenty-five Cents an issue, Eight Dollars a Year | No. 49

Natural Gas Holds Spotlight

Export approval would start $700 million program

By W. L. Dack

Natural gas holds the spotlight in the dynamically unfolding Canadian petroleum picture. Moving ahead with strong 25-35% yearly market gains all segments of the industry — from producers to distributors — are gearing for further hefty growth ahead.

Reflecting the buoyant expansion phase in Eastern Canada, sales are showing the greatest annual increase this year in history — running over 30% ahead of last year. Advance forecasts indicate a further approximate 20% jump next year with every major distributor planning further service extension. If big new export projects get the "go-ahead" from Ottawa the sales gain will be meteoric for several years.

Next year will be one of key decisions on the export market. No less than five applications seeking permission to export gas into parts of the U. S. now await the new National Energy Board hearings. If the decisions are favorable a tremendous new program will be touched off in Western Canada — a program that could continue for years and entail capital expenditures of around $700 million.

Ottawa's approval of the export of up to 850 million cu. ft. of gas daily into the U. S. could mean all these things:

■ All-important revenue relief to scores of hard-pressed oil firms who up to now have had all their eggs in one basket. ■ Big incentive to the whole natural gas production picture in Western Canada. ■ Increased activity in associated industries, e.g., petrochemicals, drilling equipment, steel pipe. ■ Greatly stepped-up source of revenue for the Alberta Government. ■ New source of U. S. dollars and strengthened balance of trade position vis-a-vis the U. S. ■ Improved gas transmission and gas gathering efficiencies arising from heavier line throughput.

The all-important gas hearings will start early in the New Year with **Trans-Canada Pipe Lines** the first name on the docket.

What are the chances for speedy and favorable decisions out of Ottawa by N.E.B. and by the Cabinet, which must make the final decision?

The two Borden energy commission reports and the continued tight marketing position in crude oil should tend to brighten the whole gas export picture. One major argument is that it would provide an important source of new revenue that might improve the western oil producers' position; reduce their pressure on Ottawa to take unpalatable measures to shut crude imports out of Montreal.

Two of the principal points N.E.B. will want to assure itself on:

■ that there is plenty of gas available for Canada's long-term requirements (under the new Energy Act this permits taking into account estimated annual growth in reserves). ■ that the price charged the U. S. customer is fair (from the standpoint of both the Canadian gas producer and distributor). Actually the starting price Trans-Canada will charge the U. S. customer is somewhat below that charged certain eastern Canadian distributors. But these represent longer pipeline hauls and lower initial delivery under contracts.

With the major exporting companies claiming adequate gas reserves now signed up to serve both domestic and export markets and western gas reserves climbing at a better than 2 trillion cu. ft. a year rate outlook is considered bright for Ottawa's approving large-scale export in the coming year.

The gas reserves position has been greatly brightened by exciting finds in the Petitot and Kotcho Lake districts of northeastern British Columbia. Although only meagre details were released on last winter's finds early open flow potentials of two wildcat wells were said to indicate probably the heaviest producers found to date in this country. This whole northeastern B. C. area stretching from Fort Nelson right up to the northern border will be the hottest exploratory area in Canada this winter and important gas news can be expected.

Westcoast Transmission Co. serving B. C. and U. S. Pacific Northwest is eager to tap these northern gas riches to help meet the anticipated heavy demand growths over the years in its big market area. The company is now engineering a 250-mile, 30-inch pipeline to connect these fields with the mainline system.

The second — and biggest — export bid is that of **Alberta & Southern Gas.** This company is seeking permission to export up to 458 million cu. ft. daily out of southern Alberta. This gas would be for the California market.

Westcoast Transmission is seeking permission to boost export into the Pacific Northwest by 150 million cu. ft. daily. This extra gas would be carried by a new pipeline system through the Alberta Foothills to be built by **Alberta Gas Trunk Line** and a new 100-mile line through southwest B. C. (jointly owned by Alberta & Southern and Westcoast).

To serve such a huge new export market to California and the Pacific Northwest will entail construction of a 360-mile, $103 million gas gathering system in the Alberta foothills. The Alberta Gas Trunk Line has already received the necessary provincial authority to build and operate the line once the exporting companies receive the necessary government approvals from Washington and Ottawa. This would involve a two-year construction program so that if all approvals were gained by early spring of next year Alberta gas could be flowing through a new 1,400-mile pipeline system to the Northwest and California markets by the late fall of 1961.

Alberta & Southern officials claim such a program would bring the following benefits to the West:
■ Total expenditures of some $318 million (including gas trunk line, gas processing and sulphur plants, field development programs) in first two years of program. ■ An additional $41 million annual revenue from gas sales. ■ $6 million extra in gas royalties for the Alberta Government. ■ 2,000 new jobs for Canadians in construction phases.

Alberta & Southern and Westcoast Transmission are either engaged in or awaiting commencement of government hearings on the necessary approval orders. Each company claims to have signed up sufficient Alberta gas to look after the new market requirements. In the Alberta & Southern case provision is also made for giving Alberta utility companies first call on some of this gas if the need arises.

The Trans-Canada export plan has at least got over one major hurdle, that of the Federal Power Commission approval. This came late in October. Now the company is awaiting commencement of hearings before the N.E.B. These will commence on Jan. 5 with a late February, or early March decision seen possible.

If a favorable decision is forthcoming by that time it would leave the company adequate time to firm up orders for pipe, compression equipment, etc., to build the additional 50-mile spur line down to Emerson on the Manitoba-Minnesota border, line up the necessary summer work jobs. The U. S. importing company — **Midwestern Gas Transmission** — must complete a 500-mile transmission line from the Canadian border down through Minnesota and Wisconsin to take delivery of the Canadian gas; must also get final FPC agreement on its proposed rate structure and financing program.

Alberta Gas Trunk line would also have to expand its next summer's gas gathering program by an additional 90 miles of pipeline to tie in six new gas fields.

Trans-Canada officials are optimistic about all these hurdles being overcome and gas flowing into the U. S. by next November.

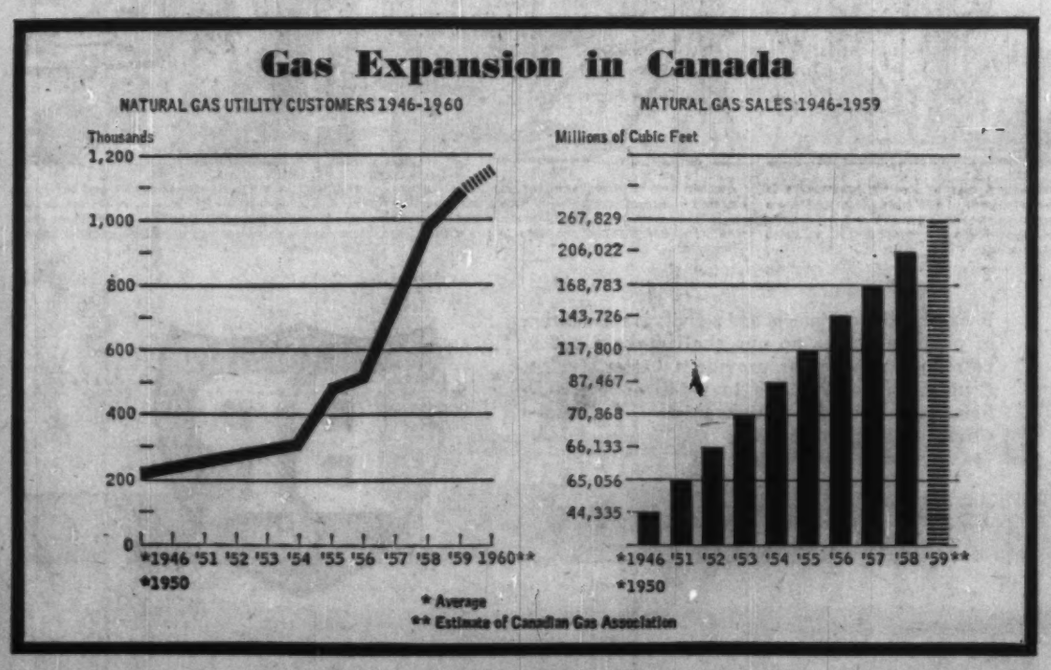
Such a program would have a big impact on company's operations and earnings. It could help move operations into the black by late 1961 — almost certainly by 1962. Company's gas throughput in Canada is now averaging about 300 million cu. ft. daily — about the same as that of Canada's other major gas transmission system, Westcoast Transmission Co. Daily volume will exceed 350 million cu. ft. by end of this year.

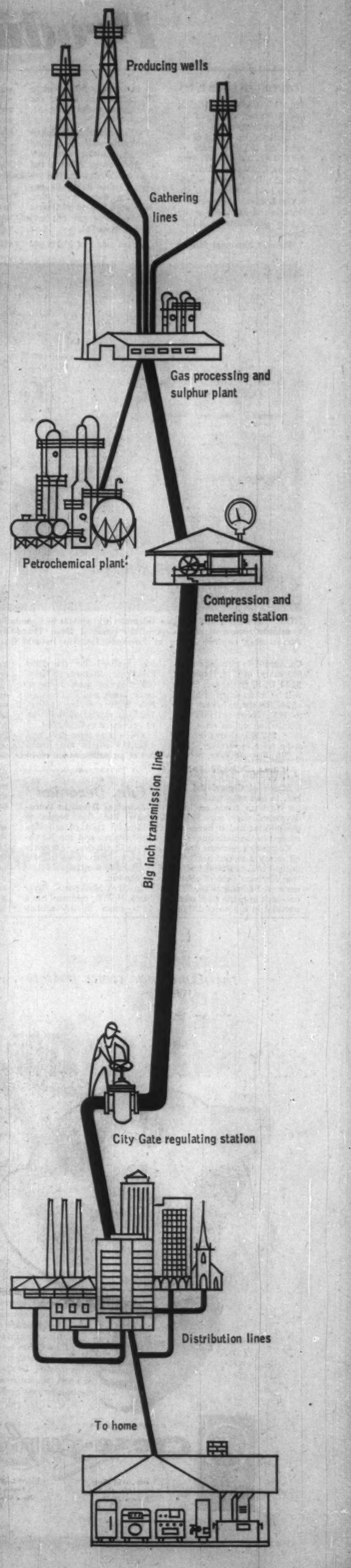
Trans-Canada's next big export drive will likely be into New York state. Officials are expected to soon seek permission to export surplus gas into the New York state pipeline system of **Tennessee Gas Transmission** via the existing pipeline system to Niagara Falls, Ont. Plan would be export only on those days when there would be a sizable surplus of gas over Canadian requirements.

Market build-up in Eastern Canada following last year's completion of the Trans-Canada pipeline presents a somewhat mixed picture. In the case of certain of the distributors e.g. **Northern Ontario Natural Gas, Consumers' Gas Co.** gas sales expansion has been up to, or even better than, expectations. With other companies, e.g. **Quebec Natural Gas,** Montreal, **Ottawa Gas,** sales growth

(Continued on page 83)

Gas Expansion in Canada





Producers

(CONTINUED FROM P. 66)

420,571 bbl. after royalties in the 1959 year, up 20% from the preceding year.

Landholdings consist of almost 5.2 million gross or 427,000 net acres in Western Canada, Northwest Territories and Illinois. A 61% equity is also held in **Bluewater Oil & Gas Ltd.**, which operates in Ontario and has made a significant gas discovery at Port Rowan.

Recently **Newmont Mining** bbl. in company production to 1.18 million bbl. during the fiscal year ended July 31, 1959.

Participations were taken during the year in drilling 24 wells, resulting in one new oil producer in Alberta and 14 in Saskatchewan. The remaining nine holes, all exploratory tests, were dry. These were located in Alberta (1), Saskatchewan (6) and North Dakota (2).

A cash profit of $1,731,023 acres, on which a wildcat well will be drilled. Location is about 200 miles east-northeast of the oil and gas discovery made earlier this year.

A 25% interest is also held in drilling reservations in the Virginia Hills and Smoky River areas of northwestern Alberta. Dry holes have been put down on both blocks, but further exploration is contemplated. Further work is likewise planned for the Radville-Lake Alma, Steelman and Carnduff areas of southern Saskatchewan.

MOST MODERN and unique telemetering system in Canada keeps an automatic minute-to-minute record of all gas quantities received from Trans-Canada Pipe Line. This is telemetering control centre at Northern Ontario Natural Gas Co.'s North Bay centre.

Co. agreed to purchase 600,000 shares of Cdn. Export at $2.50 U. S. per share. These will be taken down in blocks of 200,000 shares in each year to 1961. Newmont was also granted an option on a further 200,000 shares at the same price to January, 1962.

Central Del Rio

Efforts of **Central-Del Rio Ltd.** to find new markets for its Weyburn crude oil have developed very encouraging possibilities and it hopes for success in the near future.

Company's proven drilled oil reserves totaled nearly 60 million bbl., practically all in the Weyburn field of southeastern Saskatchewan. The cut-back in crude oil markets resulted in a drop of 181,000 was realized for the 1959 fiscal year. This was all written off against amortization of lands, leases and well costs in line with company policy. Working capital at the close of July stood at $3,209,094.

There is no term debt, and 6,412,186 shares are issued out of an authorization of 10 million.

Cdn. Devonian

Canadian Devonian Petroleums Ltd. has begun to widen its field of activities into Alberta and the Northwest Territories. Formerly its operations were mostly confined to southeastern Saskatchewan.

In the Mackenzie River basin, N.W.T., company has a 15% stake in 3.5 million

Working capital is provided by a bank loan of $3.2 million, which can be drawn upon as required and repaid from net production revenue. Loans outstanding totaled $1,465,073 at Sept. 30, 1959. There is no other term debt. Of 5 million shares authorized, 3,429,664 are issued.

Cons. E. Crest

Consolidated East Crest Oil Co. holds varying interests in almost 50 oil and three gas wells in Alberta and Saskatchewan, equal to ownership of about 13 net wells.

Land spread covered more than one million gross acres, or approximately 128,000 acres net to the company.

Development this year has been concentrated in the Pembina field, where 14 oil producers were completed to convert the well-spacing from 160 to 80 acres. East Crest has 8% interest in the program. Proven reserves of crude oil are estimated at 1,484,200 bbls.

Production revenue amounted to $220,312 for the year 1958 while miscellaneous income totaled $14,600. Net profit was $44,209 after provision of $14,728 for depreciation and depletion and $77,848 written off against development account.

There are 1,549,174 shares issued and outstanding, and no term debt.

Cdn. Southern

Canada Southern Petroleum Ltd. recently concluded an agreement with Home Oil and its associates covering its 1.2 million acres in Northwest Territories.

The Home group will pay the company $3.5 million and conduct a 5-well exploratory program in return for a 50% interest in the lands. At least $3 million is to be spent in drilling and other work over five years.

In northeastern British Columbia most of the company's 3.2 million acres are farmed out to others for exploration at no cost to Canada Southern. Company retains net carried interests ranging from 1½% to 50%. An intensive program of test and development drilling has resulted in a number of gas and oil finds in such areas as Boundary Lake, Buick Creek, Highway, Fort Nelson and Syphon Creek.

Markets have been established for gas from the Buick Creek and Highway fields and for oil from Boundary Lake. Company's share of gas production from these pools averaged 15.6 million cu. ft. daily and of oil was 137 bbls. per day last January.

A wholly owned subsidiary has a share in 33 oil producers in Wyoming and Nebraska, while an affiliate proposes to build a crude oil pipeline from northeastern B. C. to the coast.

Net reserves in Canada and U. S. A. are estimated at approximately 1.3 million bbls. of oil proven and 3.6 million probable, 1.7 million bbls. of natural gas liquids proven and 500,000 bbls. probable, and 60.8 billion cu. ft. of proven gas plus 18.2 billion cu. ft. probable.

Gross income for 1958 amounted to $341,295. Working capital at the close of the year was $504,883. Authorized capital is 8 million shares, and 6,247,730 are issued.

Cons. Allenbee

Natural gas sales are expected to help boost income of **Consolidated Allenbee Oil & Gas Co.** this year.

Sales of gas started late last year, when three capped gas wells in the Steveville area were connected to a gathering system feeding **Trans Canada Pipe Lines.** It is expected that more wells will be added to the system as the demand for gas increases.

Net oil and royalty income in the year ended Sept. 30, 1958, totaled $67,401, down from $104,601 in the previous year. Net profit was $3,465, all written off to amortization of drilling charges.

Interest in **Arawain Producers** has been increased to 38%, and arrangements have been made to boost holdings to 51%. Arawain controls **Wain-Con Oils** through a 53% interest.

Cdn. Chieftain

Canadian Chieftain Petroleums Ltd. has been carrying out a four-well development program in the Bindloss and Cessford natural gas areas of eastern Alberta.

It has also built a gas-processing plant at South Provost, and deliveries from the three fields are expected to begin this year. The gas is under contract to **Trans-Canada Pipe Lines** at initial price of 13¼c per mcf.

Early this year the company undertook to manage the affairs of **Excelsior Refineries** and to provide working capital so that its refinery at Lloydminster could be placed back on stream. Chieftain was given an option to purchase 90% of the Excelsior stock for $18,000, and that company was renamed **Canadian Kodiak Refineries Ltd.** Refinery throughput was reported in mid-year to be averaging 3,800 bbl. per day, and gross sales amounted to $58,000 for the week ended June 6.

Chieftain also holds a stake in about 18 producing oil wells and 13 gassers, and in more than 400,000 acres of leases and reservations, all in Alberta.

Working capital of approximately $204,000 last June has since been augmented by the sale of 100,000 treasury shares at $1.50 per share. Production income for the year ended June 30, 1959 (unaudited) totaled $140,409.

Cdn. Homestead

Canadian Homestead Oils Ltd. is continuing its policy of creating maximum opportunities for growth at least cost. In several districts of Alberta, partners have assumed the cost of drilling and reimbursed the company for its acquisition expenses. Homestead retains gross royalties and sometimes a substantial interest in net production.

Company holds working interests in some 120 producing oil and 30 gas wells, plus royalties in nearly 300 wells, in Alberta, Saskatchewan, British Columbia and the United States. Its share of crude oil production totaled 193,779 bbls. in the year ended May 31, 1959, while sales of natural gas, principally from Alberta's Pouce Coupe field, amounted to 666 million cu. ft. Reserves are not published.

Acreage holdings included 488,000 acres of leases and 1.2 million acres of reservations and permits at the end of May, for a net interest to Homestead of 675,000 acres. Surveys have been made of the 705,000-acre holding in (Continued on page 69)

DILWORTH, SECORD AND ASSOCIATES LTD.
CONSULTING ENGINEERS
4210 DUNDAS ST. W., TORONTO, ONTARIO.

- Studies and Reports,
- Market Surveys
- Design of Equipment and Facilities
- Air Pollution Control

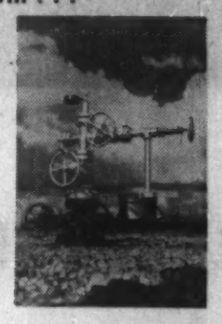
A VIGOROUS ALBERTA OIL INDUSTRY
will help to keep Canada Prosperous

Increased Oil and Gas production will . . .

—Increase direct employment in the Oil industry and service and supply industries across the nation.

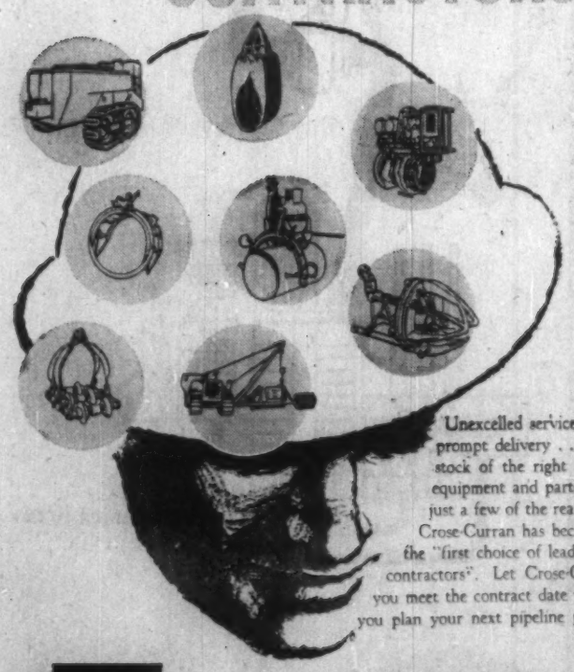
—Increase National, Provincial and Municipal revenue.

—Help to make the balance of our trade more favourable by reducing our imports and increasing our exports.



GOVERNMENT OF ALBERTA
DEPARTMENT OF MINES & MINERALS
H. H. SOMERVILLE, Deputy Minister
HON. E. C. MANNING, Minister

Crose-Curran
the name that comes first to . . .
PIPELINE CONTRACTORS



Unexcelled service . . . prompt delivery . . . a complete stock of the right machines, equipment and parts . . . these are just a few of the reasons why the name Crose-Curran has become automatically the "first choice of leading pipeline contractors". Let Crose-Curran help you meet the contract date when you plan your next pipeline job.

ALL-ROUND PIPELINE SERVICE
Crose-Curran Limited
Pipeline Construction Equipment and Supplies
4495 - 103rd Street, Edmonton, Alberta, Phone 392096
19 Bryden Drive, Toronto, Ontario, Phone CHarry 4-1571

"To Quote our President" says "Mr. Beep"
"People have a right to know the Facts"

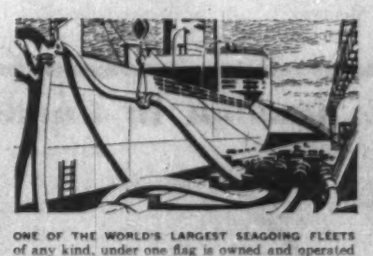
People have a right to know what goes into the making of good petroleum products. They value their automobiles. They must have confidence that the fuels and lubricants they buy will protect their investment. That confidence will come from knowledge of the capabilities and resources of BP Canada Ltd.

OVER ONE-TWENTIETH OF THE WORLD'S CRUDE OIL comes from wells producing for BP. With active wells in Alberta, The United Kingdom, Trinidad and the Middle East, BP is one of the world's greatest oil companies.

KEEPING PACE WITH INCREASING DEMAND for its petroleum products BP maintains a continuing search for further oil reserves. At present BP has interests in about 20% of the world's proven reserves of oil.

A PROGRAM OF RESEARCH, recognized as the finest in the industry, has resulted in the development of new and better BP petroleum products and processes. In addition, all products are subject to rigorous field tests.

THE TREMENDOUS OUTPUT OF BP REFINERIES is under precise control of the laboratories to ensure uniform production and high quality of product. 14 large refineries are in full production with 2 more under construction.



ONE OF THE WORLD'S LARGEST SEAGOING FLEETS of any kind, under one flag is owned and operated by BP. This assures a steady flow of crude oil to the refineries and finished products to the consuming markets.

TRAINING IN BUSINESS MANAGEMENT and servicing of cars is given all BP station operators in an award winning course. You can be confident that the man who serves you with BP products knows his business.

Back of all this equipment and activity is a dedication of purpose—that no one shall make a better petroleum product or provide a better service. Coupled with this desire to please is a genuine friendliness. You'll feel welcome at every BP station—we enjoy serving you.

BP CANADA LTD
MEMBER OF THE BRITISH PETROLEUM GROUP
BP

Producers

(CONTINUED FROM P. 68)

the Mackenzie River delta, N.W.T., and company has priority to acquire approximately 1.8 million acres of permits on Banks Island, in the Canadian Arctic.

A wholly owned subsidiary, Pennant Drilling Co. Ltd., owns and operates five drilling rigs and the necessary ancillary equipment.

For the quarter ended Aug. 31, 1959, net operating income was $224,512, up from $207,667 for the corresponding quarter of 1958. Cash flow before write-offs was $95,845 in the 1959 period. Working capital stood at $555,402 at Aug. 31, 1959.

There are 3,346,900 shares issued out of 5 million authorized. Only debt is bank and production loans aggregating $723,700 at the end of August.

Devon-Palmer

The sulphur recovery plant at Okotoks, Alta., of **Devon-Palmer Oils Ltd.** and its partner began operations last June. Plant processes sour gas and is designed to recover 126,000 long tons of sulphur and 4.25 billion cu. ft. of residue gas annually. Company has an initial 42½% interest in the plant, gathering facilities and the field.

Financing of the project was effected through the private sale of $3.5 million of 5¾% first mortgage bonds of the company, due 1971.

Production from its 89 net owned oil wells averaged 2,232 bbl. of oil and 5.5 million cu. ft. of gas per day during the year ended Jan. 31, 1959. By last May daily production of gas had increased to approximately 6.9 million cu. ft. but oil sales were expected to continue to be restricted.

Landholdings in Canada and the U. S. total some 2.3 million acres for a net of 385,000 acres to the company.

Proven reserves are placed at 11.7 million bbl. of oil, 123.4 billion cu. ft. of gas and 2.6 million tons of sulphur.

A wholly owned subsidiary, **Canamerican Drilling Ltd.**, owns and operates 7 rigs in Western Canada.

Devon-Palmer also holds 39% share interest in **British Columbia Oil Lands Ltd.**, which has 2.1 million acres in northeastern B. C. under active exploration by other firms. In the past year four major gas discoveries have been made on or near this company's lands in the Fort Nelson area.

Devon-Palmer likewise has a 14½% share equity and manages the operations of **Prairie Oil Royalties Ltd.**, a land holding outfit in Saskatchewan and Manitoba.

Management of Devon-Palmer has been under the direction of **Rio Tinto Mining Co.** since last August. Rio Tinto holds an option on 250,000 company shares at $1.20 to 1961.

Dome

Dome Petroleum Ltd. is following up a significant natural gas strike in the Laprise Creek area of northeastern British Columbia, and conducted preliminary exploration on nearly 2.8 million acres of permits in Northwest Territories and the Canadian Arctic Islands this year.

The Laprise Creek work has partially substantiated large reserves of gas just a few miles north of the prolific Jedney-Bubbles wet gas area. If sufficient reserves are outlined, Westcoast Transmission will extend its pipeline to the vicinity.

Dome has working interests in about 186 oil and 11 gas wells in Western Canada and in approximately 4.3 million undeveloped acres there and in the northern territories. It also manages the operations and has substantial share interests in two other gas and oil companies and a natural gas processing firm.

Net proven oil reserves were placed at 29.2 million bbls. and reserves of natural gas at 40.59 billion cu. ft.

Net production of oil totaled an estimated 550,000 bbls. in the first six months of 1959, an increase of 5.3% over the first half of 1958. Gross income for the 1959 half-year amounted to $763,374, up from $640,222 for the 1958 period.

At Mar. 31, 1959, working capital position showed a deficit of $1,798,000. Bank loans stood at $2,225,000, following company policy to use such loans to increase its investment portfolio. Marketable securities, carried at cost of $2,511,940 at the end of 1958, had a market value at the time of $10,308,785.

Funded debt, comprising 4¼% notes due 1963, totaled $5,693,500 at Dec. 31, 1958. There are 2,521,400 shares outstanding out of an authorization of 3 million shares.

Eastwood

Eastwood Oil Co. Ltd. is the exploration and development section of the former General Petroleums of Canada Ltd., which was split into two parts earlier this year. The contract drilling assets were formed into another company.

Eastwood has a stake in 135 oil and 10 gas wells equivalent to ownership of about 31 net wells, and in 385,000 acres in Western Canada, Northwest Territories and Montana. Most of the undeveloped acreage is in fairly small blocks situated in various areas of Alberta. Company also owns a four-story office building in Calgary.

Oil reserves were estimated last year at 2.7 million bbls. proven primary and 440,000 bbls. probable secondary. Gas reserves were placed at 14.7 billion cu. ft., proven natural gas liquids 354,000 bbls. and sulphur 20,200 long tons.

Investments include 31% of the stock of New Superior Oils of Canada and 20% equity in Edmonton Pipe Line Co., which last operates a crude oil line from Alberta's Joarcam field to Edmonton.

Management of Eastwood is under the direction of Medallion Petroleums Ltd., which has a substantial share interest in it and states it plans eventually to acquire Eastwood on a share exchange basis.

Company's producing properties are currently generating an income of approximately $750,000 annually. Working capital position at Apr. 1, 1959, showed an excess of $349,000 of current liabilities over current assets. There are outstanding 750,537 class A and 400,000 ordinary shares.

French

French Petroleum Co. of Canada Ltd. owned the equivalent of about 17 oil wells, 356,000 acres of leases and 888,000 acres of reservations and permit lands in Western Canada and Ontario at the end of last year.

Since that time a number of company-interest oil producers have been completed at Swan Hills and the adjoining Morse River area of western Alberta. A substantial discovery of natural gas has also been made in the Daiber district of northeastern British Columbia.

Oil reserves were estimated early this year at 16 million bbls. proven developed and 8.7 million bbls. probable. Production was then averaging 1,566 bbls. per day.

Oil sales grossed $594,228 in 1958 while other income amounted to $443,982. After write-offs a net loss of $1,445,884 was recorded. Working capital was $7,038,623 at Dec. 31, 1958.

Public interest in the company lies in the outstanding 1.68 million non-cumulative preferred shares. No dividends have been paid on these as yet. Common stock is all held by Compagnie Francaise de Petroles, S. A.

Fargo

Landholdings of **Fargo Oils Ltd.** in northeastern British Columbia have substantially increased in value through two significant natural gas discoveries made earlier this year. The find at Petitot River is located in the centre of two permits in which the company has 50% carried interest, while the Kotcho Lake strike is less than three miles from 200,000 acres 45% owned by Fargo.

Most of the company's 2.6 million acres in B. C. are farmed out to other operators for exploration at no cost to Fargo, which retains carried interests of 2½% to 50% in the lands and any production. An exception is the prolific Blueberry gas and oil field, where the company pays its 31% share of costs. This field was placed on production late last year.

Drilling activities in the first part of the current year brought in 14 oil and 2 gas wells for a net to Fargo of 7.5 oil and .7 gas wells. At mid-year a share was held in 354 oil and 61 gas producers equivalent to 100% of 203 net wells. Reserves are not made public.

Oil sales for the six months ended June 30, 1959, amounted to 475,093 bbls. and sales of gas were 1.26 billion cu. ft., a substantial increase over the 294,575 bbls. of oil and 28 million cu. ft. of gas sold in the corresponding period of last year. Cash flow for the 1959 half-year aggregated $452,800.

Authorized capital is 9 million shares; of the 8,454,915 outstanding almost 26% are held by General American Oil Co. There are also issued $1.38 million 5% notes due 1961 to 1970.

Gridoil

Gridoil Freehold Leases Ltd. holds petroleum and natural gas leases covering approximately 377,000 acres in southern Saskatchewan and southwestern Manitoba, plus other scattered blocks there and in Alberta.

The holdings are roughly checkerboarded and are located in most of the light-gravity oil pools of southeastern Saskatchewan. Some 58 gross, or 32 net to the company, oil wells have been brought in on company acreage. Three were successfully completed last year and a similar number in the first half of 1959, while further development is scheduled.

Production revenue for 1958 totaled $714,258, and net loss was $251,299 after write-offs aggregating $420,059. Working capital at the end of last year was $204,964.

There are $2,345,000 of 5½% convertible notes, due 1976, currently outstanding. Of 3 million shares authorized, 2,233,871 are issued. Of these about 61% are held by **Anglo American Exploration Ltd.**

Great Plains

Great Plains Development Co. of Canada Ltd. participated in or contributed to the drilling of seven wells in the first six months of this year. Two of these encountered oil while the remainder were dry.

Ten more wildcat ventures were scheduled to be drilled in the latter part of 1959, while acreage acquisitions and work will be continued on the Taylor Lake permits in Yukon and Northwest Territories. A small amount of development work is also planned. All would be financed out of current income.

At mid-1959 company owned the equivalent of 76 net oil and 8 net gas wells and 594,000 acres in Western Canada. Its share of oil production totaled 478,348 bbls. in the six months ended June 30, 1959, compared with 441,552 bbls. for the first half of 1958. In addition 11,393 bbls. accrued to the company in 1959 under agreements whereby it is entitled to retain production in excess of its working interest until certain development costs are recovered.

Proven drilled and undeveloped reserves are estimated at 13.2 million bbls. of oil, 3.7 million bbls. condensate and other gas fluids and 107.3 billion cu. ft. of salable natural gas.

Oil and gas income totaled $1,189,604 in the first half of the current year, while other income amounted to $47,874. Net working capital at mid-year was $2,913,718, and included $2,641,255 cash or

(Continued on page 70)

SLATER PRESTMETAL STAMPINGS

● SEND SKETCHES, SAMPLES OR BLUEPRINTS

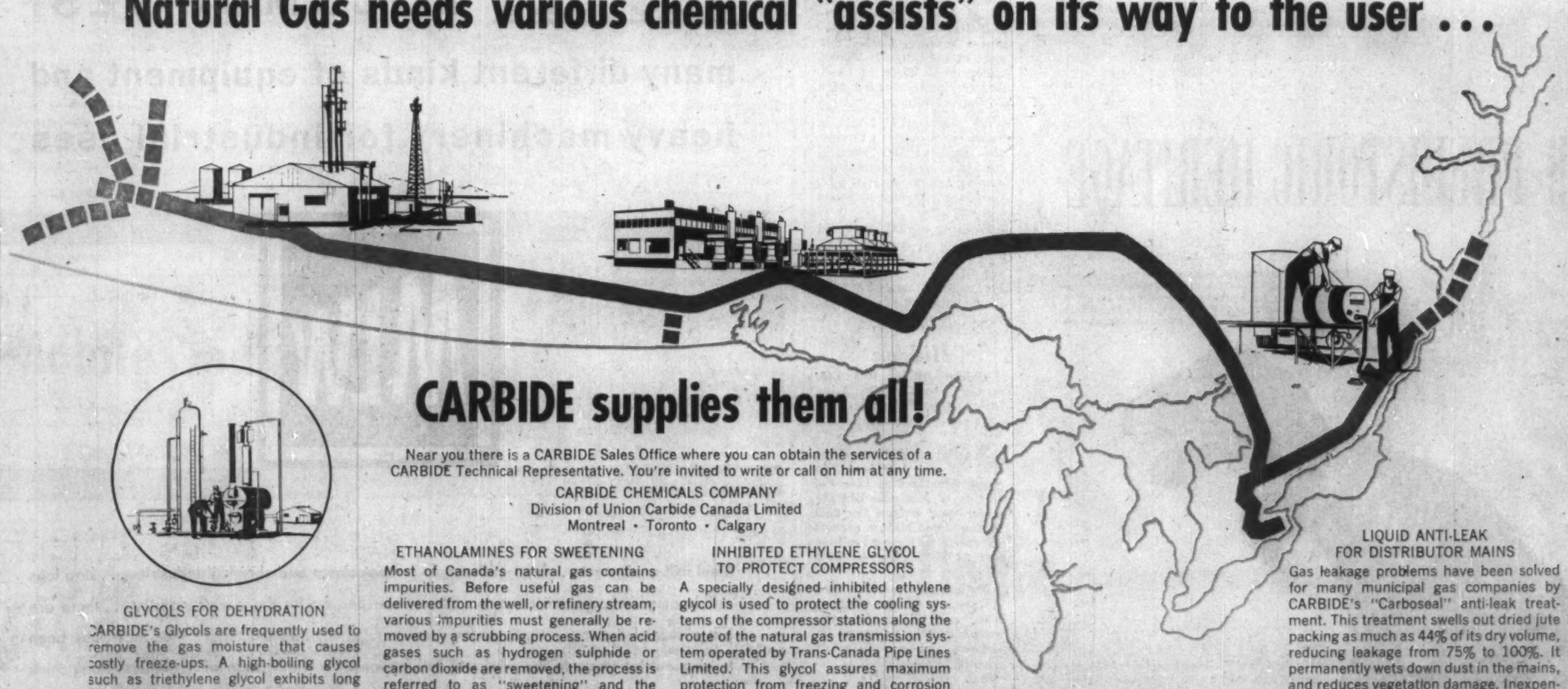
We will make your tools or dies, or adapt your dies to our equipment.

HOT DIP GALVANIZING; PAINT FINISHING OR VITREOUS ENAMELLING IF REQUIRED.

N. SLATER COMPANY LIMITED • HAMILTON, CANADA

Montreal Winnipeg Regina Edmonton Calgary Vancouver

Natural Gas needs various chemical "assists" on its way to the user . . .



CARBIDE supplies them all!

Near you there is a CARBIDE Sales Office where you can obtain the services of a CARBIDE Technical Representative. You're invited to write or call on him at any time.

CARBIDE CHEMICALS COMPANY
Division of Union Carbide Canada Limited
Montreal • Toronto • Calgary

GLYCOLS FOR DEHYDRATION

CARBIDE's Glycols are frequently used to remove the gas moisture that causes costly freeze-ups. A high-boiling glycol such as triethylene glycol exhibits long process life and dries gas to the low dew points necessary for trouble-free transmission across the Canadian prairies.

ETHANOLAMINES FOR SWEETENING

Most of Canada's natural gas contains impurities. Before useful gas can be delivered from the well, or refinery stream, various impurities must generally be removed by a scrubbing process. When acid gases such as hydrogen sulphide or carbon dioxide are removed, the process is referred to as "sweetening" and the scrubbing solution usually contains a CARBIDE Ethanolamine. Because the ethanolamine can be separated for re-use, the process can be made continuous and economical and the impurities themselves converted into useful by-products.

INHIBITED ETHYLENE GLYCOL TO PROTECT COMPRESSORS

A specially designed inhibited ethylene glycol is used to protect the cooling systems of the compressor stations along the route of the natural gas transmission system operated by Trans-Canada Pipe Lines Limited. This glycol assures maximum protection from freezing and corrosion for this heavy duty year-in year-out service. Samples from these stations are analyzed regularly to ensure that the fluid is providing the required protection.

LIQUID ANTI-LEAK FOR DISTRIBUTOR MAINS

Gas leakage problems have been solved for many municipal gas companies by CARBIDE's "Carboseal" anti-leak treatment. This treatment swells out dried jute packing as much as 44% of its dry volume, reducing leakage from 75% to 100%. It permanently wets down dust in the mains, and reduces vegetation damage. Inexpensive to use, it does not interfere with customers' use of gas during installation. Based on actual use, "Carboseal's" effectiveness has been maintained for 25 years.

UNION CARBIDE CARBIDE CHEMICALS COMPANY

"Carboseal" and "Union Carbide" are Trade Marks

Producers

(CONTINUED FROM P. 69)

short-term government securities.

Funded debt consists of $6,792,500 of 4% notes due 1965, and there are 980,192 shares outstanding.

Home

Home Oil Co. Ltd. and its partners have agreed to spend at least $3 million over the next five years exploring 1.2 million acres in the Northwest Territories just north of the B. C. border.

The group acquired a 50% interest in the spread for a consideration of $3.5 million, of which $1.5 million is payable immediately and the remainder over three years. It passed the summer in carrying out seismic surveys in the district, and will drill two or three wells on the block this coming winter in the North Petitot River-Nahanni area. Home and associates also were granted an option to pick up 50% in a further 32,000 acres in the North Petitot structure.

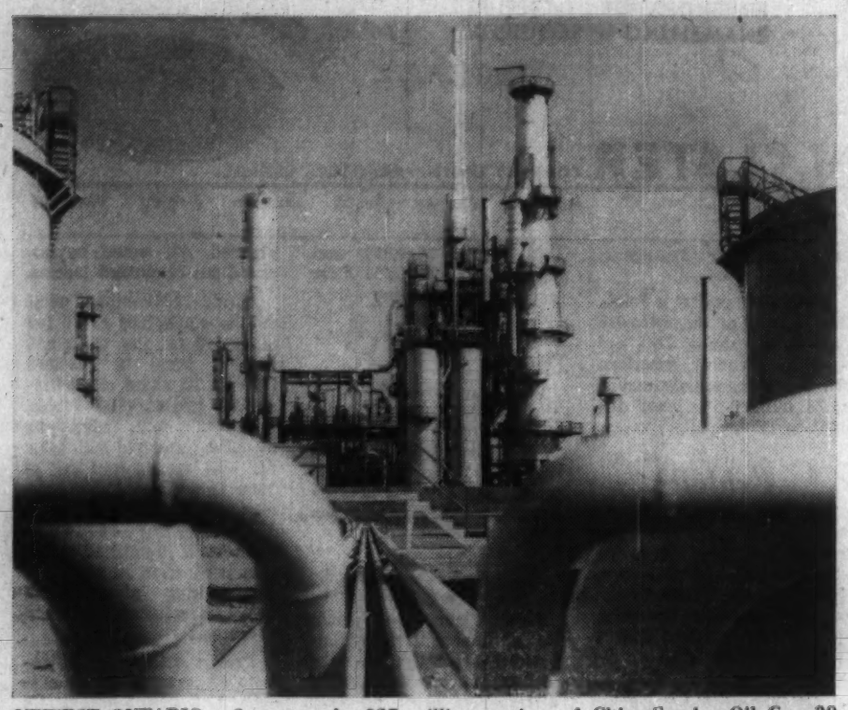
Company's group is still developing its extensive holdings in the large Swan Hills oil field and a major wet gas find at Carstairs, both in Alberta. A $3.75 million plant to process the Carstairs gas is scheduled for completion next March. It will handle 75 million cu. ft. of gas daily for sale to **Trans - Canada Pipe Lines**, and will market approximately 2,200 bbl. of condensate per day. Home has 50% share in the plant.

Company also owns and operates a 65-mile crude oil pipe line running from the Sundre-Westward Ho - Harmattan pools to Calgary, and has 50% of a line which carries crude from the Swan Hills-Virginia Hills fields to Edmonton, In addition Home is one of the largest single shareholders of Trans-Canada Pipe Lines, with a 17% equity.

Proven reserves are 73 million bbl. of oil, almost 11 million bbl. of gas liquids and over 400 billion cu. ft. of gas. In addition it has probable reserves of 80 million bbl. of oil and gas liquids and 92 billion cu. ft. of gas.

Cash flow for the current year is expected to be about $1.4 million, and this should increase, according to the company, to $2.3 million next year and rise by about $1 million annually thereafter to 1968.

Funded debt totals some $16 million, and negotiations for the issue of a further $25 million of convertible debentures are practically completed.



NEWEST ONTARIO refinery — the $27 million project of Cities Service Oil Co., 30 miles west of Toronto.

Hudson's Bay

Hudson's Bay Oil & Gas Co. Ltd. has an exclusive option to lease the oil and gas rights owned by Hudson's Bay Co., covering some 4.5 million acres in Western Canada. In addition the company holds leases, reservations or permits on approximately 5.4 million acres there, mostly undeveloped.

During the 18 months ended June 30, 1959, company shared in drilling the equivalent of 88 net oil wells, 17 gas wells and 40 dry holes. The successful ventures were located in the Virginia Hills, Eaglesham, Wintering Hills, Cessford, Beaver Creek, Kaybob, Olds, Pembina, Bellshill Lake, Innisfail and Garrington areas of Alberta, and at Milligan Creek, B.C. and Weyburn, Sask.

To serve a number of gas and distillate discoveries in the general Whitecourt area west of Edmonton, company and its partners have erected a pilot plant to recycle natural gas and extract about 2,500 bbls. of gas liquids per day. A gas processing plant was also built at Cessford last year.

Proven reserves were last estimated in 1957 at 104 million bbls. of oil, 4.6 million bbls. natural gas liquids and 881 billion cu. ft. of gas. Production of oil averaged 20,773 bbls. per day during the initial half of this year while daily sales of gas averaged 45.9 million cu. ft.

Company also owns a 10-story office building in Calgary, and a wholly-owned subsidiary, Rangeland Pipe Line Co., operates a 140-mile crude oil pipeline in central Alberta.

Working capital was $10.5 million at mid-1959. Funded debt comprised $23 million first mortgage bands due 1975. Of the 17,744,592 shares issued, 22.6% are owned by Hudson's Bay Co. and 67.8% by Continental Oil Co. of Delaware.

Jupiter

Recent activities of **Jupiter Oils Ltd.** have been centred in the United States, chiefly in Texas. In the first eight months of this year company participated in drilling nine oil and two gas producers in various fields there, and further development is under way or scheduled.

Company has a share in about 200 oil and more than 40 gas wells in Western Canada and U. S., which produced a revenue of $879,000 for Jupiter in 1958. Its proven and semi-proven reserves were last estimated at the close of 1957 at over 6.8 million bbl. oil and 140 billion cu. ft. of gas. Later acquisitions have added to these totals.

The Edmonton Pipe Line Co., 30% owned by Jupiter operates a crude oil pipe line from Alberta's Joarcam field to Edmonton. Other recent company purchases include about 10% of the issued capital of **Alberta Pacific Consolidated Oils** and 18% of **Resource Ventures Corp.** Chief asset of the latter is 100,000 undeveloped acres in Utah, largely checkerboarded with holdings of Jupiter.

An 8,000-acre tract in Sarasota County, Florida, also acquired this year, is considered to be suitable for housing and commercial purposes, and is fronted by paved highways.

Working capital amounted to $92,170 at Apr. 30, 1959. Funded debt consists of $576,000 of 5% debentures due 1967. There are 3,833,121 shares issued of an authorization of 7.5 million.

Midcon

Midcon Oil & Gas Ltd. owns five gas wells in Lake Erie and has a stake in oil and gas production in Alberta.

Negotiations for sale of the Etzikom gas field and the **South Alberta Pipe Line Co.** to City of Medicine Hat are under way. Should the deal be completed Midcon expects to receive between $2 million and $3 million for its 50% interest.

Helium has recently been discovered in the Etzikom area, and this could prove valuable if the price was increased and a satisfactory method of extraction is devised.

A contract is being arranged for the sale of Midcon's Lake Erie gas to **Union Gas Co.**, for 35 cents per mcf. The five wells have a total open flow potential of 3.33 million cu. ft. per day.

A wholly-owned subsidiary, **Aqua-Land Exploration Ltd.**, owns a tower for drilling in the lake, and has a substantial interest in another.

Production revenue of Midcon totaled $74,748 in the year ended Mar. 31, 1959, while $41,306 was received in interest. Net loss was $744,358 after writing down investments by $676,000, and provision of $114,542 for abandoned lands and wells. Working capital on that date amounted to $200,374.

Authorized capital is 5 million shares, of which 4.3 million are issued.

Medallion

Medallion Petroleums Ltd. acquired all the assets of **Select Oils Ltd., Henderson Oil Holdings Ltd.** and **Legion Oils Ltd.** earlier this year. It has also announced its intention of eventually acquiring, through an exchange of shares, the assets of **Eastwood Oil Co. Ltd.**, in which an interest is already held.

The Select and Henderson offers involved the issuance of about 80,000 Medallion shares, while 12,000 had been issued for Legion assets to the end of October.

Prior to the above purchases the company owned the equivalent of 51 oil and 9 gas wells, and had a land spread of some 4.5 million gross or 848,000 net acres.

Gas sales increased by four times to 2.3 billion cu. ft. during the year ended Feb. 28, 1959, and accounted for 13% of company's revenue. Oil production also climbed to 406,000 bbl. from 318,000.

Oil reserves are 6.5 million bbl. while reserves of gas were boosted to 109 billion cu. ft.

Cash flow before write-offs amounted to $429,164 for the year ended Feb. 28, 1959, while a net loss of $534,481 was sustained after provision for such.

There are outstanding $1.373 million debentures due 1962 and 4,282,615 shares are issued out of 7 million authorized.

New Superior

New Superior Oils Ltd. has curtailed its land acquisition and exploration activities due to the oil marketing difficulties and declining production.

To maintain its production rate, pressure maintenance projects were effected where appropriate and additional production was developed in the Garrington pool of western Alberta. Efforts have also been directed toward reducing costs and retirement of funded debt.

Company has a stake in 147 oil and 13 gas wells in Alberta and Saskatchewan for a net interest of about 54 wells. Net oil production totaled 431,076 bbls. in the year ended March 31, 1959, up slightly from 425,796 bbls. the year previous.

Land position covered some 373,000 gross or 116,000 net acres in the two provinces mentioned, as well as the Northwest Territories and Montana.

Proven reserves comprise 3.7 million bbls. oil, 1.1 million bbls. natural gas liquids, 39.7 billion cu. ft. of gas and 79,700 long tons of sulphur. In addition there were 3 million bbls. of probable assisted oil reserves.

Net cash income for the 1958-59 fiscal year amounted to $468,392, while a net loss of $29,661 resulted after write-offs. Funded debt and bank loans added up to $4.8 million at March 31, 1959, an increase of only $82,000 during the year despite the assumption of debt of $608,000 on the acquisition of Altex Oils Ltd. Continuing emphasis will be placed on further reduction of the debt.

Share capital consists of 4 million authorized and 1.8 million issued shares.

New Continental

New Continental Oil Co. Ltd. recently acquired a 10% stake in nearly 1.2 million acres of permits in the Mackenzie River basin of the Northwest Territories. Cost of the purchase, to be spread over a two-year period, will be approximately $35,000.

A 2% to 2½% gross royalty is held on some 145,000 acres in the Milligan Creek district of northeastern British Columbia. These are farmed out to Union Oil of California, which has brought in a number of oil and gas producers there. New Continental's share of oil reserves in this field, based on only 4,000 acres out of the total, have been placed at 600,000 bbls.

Company also has working interests in 87 other oil and four gas wells in Alberta, Saskatchewan and Texas plus royalties in a further 44 producers. Net reserves of these were estimated at 1.9 million bbls. Landholdings total about 1.3 million acres, equivalent to ownership of 25,255 acres of leases and 155,000 acres of reservations and permits.

Gross income from company's Canadian operations was $505,768 in the fiscal year ended March 31, 1959. Operations of the U. S. subsidiary are not consolidated in the company's statements. Working capital on that date was $95,297.

There is no long-term debt, but all six million authorized shares are outstanding.

North Cdn.

Major source of revenue for **North Canadian Oils Ltd.** continues to be the operation of its 136-mile natural gas pipe line from Wabamun to Hinton, Alta. The line transports gas to the sulphate pulp mill of North Western Pulp & Power Ltd., in which the company also has a 50% share.

An extension of 47 miles was added to the line from Hinton to Jasper this year to serve Northland Utilities Ltd., a gas distributor there.

Company has not participated directly in the search

(Continued on page 71)

CANADIAN OIL AND GAS

by

D. E. Lewis and A. R. Thompson

This reliable and essential work of reference for anyone concerned with the Oil and Gas Industry is split into five divisions, and

a. authoritatively states the law

b. digests all important decisions of Canadian Courts

c. illustrates all important forms used in the Oil and Gas Industry

d. sets out legislative enactments of general application to the Industry

e. contains miscellaneous information of general interest to the Industry.

The three loose-leaf volumes are kept up to date ten times a year. This is the only work in which you will find all the law and practice you need for the Oil and Gas Industry collected in one place.

Volumes 1 to 3, complete to date $75.00
Service for the remainder of 1959 $10.00

For particulars of this and other legal and scientific works write to:

BUTTERWORTH & CO. (CANADA) LIMITED
1367 DANFORTH AVENUE TORONTO 6, ONTARIO

OUR PREHISTORIC HERITAGE

the TYRANNOSAURUS—*largest flesh-eating dinosaur*

This 50-foot dinosaur was perhaps the most ferocious animal that ever lived. It stood 20 feet high and lived during Upper Cretaceous times, 70 million years ago. Remains have been found in Alberta, and thus it is more than likely that the Tyrannosaurus was one of the earliest inhabitants of the Canadian West.

Even in the days of Tyrannosaurus, nature had begun to prepare for Canada's present prosperity. Already under the soil of the Canadian West, millions of minute sea creatures had been buried, waiting for the weight of the centuries to revert them back to their elemental form . . . into compounds of carbon and hydrogen . . . the elements of petroleum and natural gas.

On the crest of a new wave of natural gas development.

TIDAL

PETROLEUM CORPORATION LTD.

HEAD OFFICE:

8831—109 STREET, EDMONTON, ALBERTA

• LISTED ON THE TORONTO AND VANCOUVER STOCK EXCHANGES.

LOOK WHAT WE MAKE

BESIDES LOCOMOTIVES!

many different kinds of equipment and heavy machinery for industrial uses

MLW

Steel mill equipment . . . heat exchangers for petroleum and chemical industries . . . stop logs and booms for inland waterways . . . feedwater heaters for the power industry . . . these are just a few of the many types of industrial equipment and machinery that MLW has been turning out for years to the complete satisfaction of a wide range of customers. Don't think of us as just a leading builder of locomotives. Think of us every time you have a need for heavy machinery and equipment. We have the tools, the know-how and the capacity to quote competitively and deliver on time. Call on us for quick, efficient service.

MONTREAL LOCOMOTIVE WORKS
LIMITED

MLW

Producers

(CONTINUED FROM P. 70)

for oil and gas lately, but a deep test was put down on its Twin Dome acreage. Unfortunately the hole was dry. However in view of the improvement in the natural gas outlook, company is negotiating for development rights in a semi-proven gas field in the Alberta export area within economic reach of its pipe line.

Gross revenue totaled $1,800,134 for the year ended March 31, 1959. After write-offs of $92,789, a net profit of $318,988 was realized, compared with a profit of $201,108 in the previous year.

Funded debt comprises $4 million 4½% first mortgage bonds and $3.5 million 5% general mortgage bonds, all due 1975. A proposed plan to extend the sinking fund requirements of the bonds and preferred stock redemptions has been cancelled, as it was thought better to wait until next year to arrange long-term debt to meet the $25 million bank loan of the pulp company.

Okalta

Okalta Oils Ltd. has confined its recent exploratory and development expenditures to areas which necessitate immediate action to retain working interests, as well as the Normandville area of northwestern Alberta.

Here the company's stake ranges from 15% to 18% in over 200,000 acres and 14 oil and three gas wells. Most of the oil wells produce from the Devonian formation, but oil was also found in three and gas in six other horizons. Following authorization by the Alberta Oil & Gas Conservation Board, some of the wells are to be completed as dual-zone producers from both D1 and D3 sections of the Devonian, thereby giving increased flow at moderate cost.

Company and its subsidiaries hold interests in over 150 other oil and gas wells. Oil deliveries declined last year but sales of gas commenced from the Princess field last December at a rate of 3 million cu. ft. per day, and sales are continuing from the Pouce Coupe field.

Proven developed reserves before deducting royalties are estimated at 3.2 million bbl. of oil while a further 5 million bbl are anticipated from secondary recovery methods. Gas reserves are placed at 63.5 billion cu. ft. proven and 33.7 billion probable and possible additional. A major portion of the proven gas is under contract and being sold.

Revenue totaled $941,395 in 1958, while working capital deficit at the end of the year amounted to $1,878,511.

Term debt aggregated $1,695,646, of which $1 million debentures are convertible into 300 shares per $500 principal amount. There are 3,743,541 shares issued.

Prairie Oil

Prairie Oil Royalties Co. Ltd. is engaged chiefly in acquiring royalty or mineral interests in potential oil and gas lands. Such interests are held in about 1.5 million acres containing over 400 oil and gas wells in southern Saskatchewan.

Small interests are also held in more than 3.7 million acres of permit lands in the Northwest Territories centred about 70 miles west of Great Slave Lake.

Recovery primary oil reserves are estimated at more than 2.2 million bbls. Company also owns a substantial number of the shares of British Columbia Oil Lands Ltd., which has carried or working interests in over 2 million acres in northeastern British Columbia. These are all being explored by other operators at no cost to B. C. Oil Lands. Two major natural gas discoveries were made this year, one at Kotcho Lake on company acreage and the other in the Petitot River area near its holdings.

Prairie Oil has 1,812,775 shares issued out of 2.5 million authorized.

Petrol

What promises to be the most important find in the history of **Petrol Oil & Gas Co. Ltd.** is the discovery last year of light-gravity crude oil in the Simonette area of western Alberta.

Several wells have flowed oil from up to 200 ft. of pay zone in the Devonian D3 formation at depths below 11,000 ft. Company has 25% working interest in 24,000 acres and 7½% net carried in 70,000 acres of lease lands. These are being explored by Shell Oil Co. A 25% working interest is also held in a drilling reservation of 11,000 acres adjoining some of the lease blocks.

Altogether Petrol has a stake in 199 oil and three gas wells in Alberta, Saskatchewan, Oklahoma and Texas and owns 34 producing gassers near Brantford, Ont. Oil reserves were placed last year at 2.3 million bbls., including the Simonette strike but none of the secondary recovery reserves at Turner Valley.

Landholdings include some 1.1 million acres, of which 181,000 acres were in lease form and the remainder were reservations or permits.

Oil and gas sales returned $468,770 in 1958, while a net profit of $11,681 was retained after writing off $186,209 for depreciation and depletion, dry holes and abandonments.

Working capital stood at $344,111 at the close of 1958. There are 3.97 million shares issued out of an authorization of 8 million.

Place

Since its formation in May of last year **Place Gas & Oil Co. Ltd.** has completed 13 commercial shallow gas wells in Lake Erie, in the Walpole and Port Dover districts of southwestern Ontario. The gas is being sold to Union Gas Co. at 45 cents per mcf.

Drilling under the lake is carried out from three company-owned floating platforms acquired this year, as well as from wooden platforms set on pilings.

In mid-year the company and its partners struck light-gravity oil in the Trenton formation in Colchester South Twp., Ont. Company then drilled a successful well on its own 9,400-acre block, and this flowed oil from depth of about 2,050 ft. at rates up to 50 bbls. per hour. Further development is under way or planned.

A 25% share is held in a 30,000-acre permit in northeastern British Columbia just 6 miles south of the large Petitot River gas find, and in the general vicinity of several gas strikes. Extensive exploration is being carried out by others in the district.

In the first 17 months of the company's existence it received $1,527,500 from share underwritings, bringing issued capital to 3,450,700 shares, of which 1.17 million are escrowed. There are 2,549,993 shares left in the treasury.

Provo

Provo Gas Producers Ltd. owns more than 78% of the producing gas unit at Provost, Alta., plus interests in 41 oil producers in Alberta's Pembina field and at Virden, Man.

The Provost field was the major supplier of gas to **Trans-Canada Pipe Lines** during 1958 and the company's share of production in that year totaled 8.4 billion cu. ft., for an average of 23 million cu. ft. per day. By April of this year Provo's share was averaging 31.5 million cu. ft. daily.

Production income increased more than four times to $824,467 in 1958, while net operating income rose to $456,278 from $21,083 in 1957.

Expansion of interests was effected earlier this year by acquisition of the Virden and Pembina wells, plus an interest in 434,000 undeveloped acres in Western Canada equivalent to 100% of nearly 105,000 net acres. Consideration was the issuance of 346,497 company shares. Acreage purchased included interests of 13⅛% and 26¼% in two permits totaling 403,000 acres in northeastern British Columbia.

Company's offer to acquire assets of **Basco Oil & Gas Co. Ltd.** has been approved by that company's shareholders. Purchase would be made through an exchange of one share of Provo for each three Basco shares, involving the issue of 768,500 Provo shares. Chief asset of Basco is a 25% carried interest in a 50,000-acre permit in the Laprise Creek area of northeastern B. C., which has been proven for natural gas.

A 39% equity is held in **Steelman Gas Ltd.**, which is processing natural gas in southeastern Saskatchewan at its rated capacity of about 25 million cu. ft. per day. Expansion of the plant is being considered.

Provo recently sold $4.5 million of 5¾% serial and 6% sinking fund first mortgage bonds due to 1974, in order to retire outstanding bank loans and provide capital for expansion. There are 10 million shares authorized of which 6,834,735 are issued.

Pacific

Pacific Petroleums Ltd. is engaged in the search for and production, refining, marketing and transportation of crude oil and natural gas in Western Canada, Venezuela and Australia.

It owns the equivalent of over 264 producing and 35 shut-in oil and gas wells, giving it reserves estimated at more than 200 million bbls. of oil, 391 billion cu. ft. of gas, 10 million bbls. of gas by-products and 471,000 long tons of sulphur.

A 27% equity is held in Westcoast Transmission Co. Ltd., which owns and operates a natural gas pipeline running from northeastern British Columbia to Vancouver and the U. S. northwest. A 50% interest is owned by Pacific in a 2,000-bbl. daily capacity oil refinery at Dawson Creek and in one of 3,000 bbls. capacity at Taylor, B.C. The refineries and jointly-owned marketing facilities are operated by the other joint owner, Phillips Petroleum Co. of Oklahoma.

Pacific has also applied to construct a crude oil pipe line in the area to serve the two refineries. The line would tap the Beatton River-Milligan Creek, Blueberry, Doig River and Boundary Lake fields.

Sales of crude and refined products are reported to have risen by approximately $1 million to about $4.3 million in the first five months of the current fiscal year. However higher write-offs for surrendered leases and depletion are understood to have boosted net loss for the period to almost $4 million, a 60% increase over the loss for the similar period of 1958.

Working capital amounted to $5.9 million at the end of last February, and was later augmented by $3.4 million through the sale of stock last summer. Term debt aggregated $58 million in bonds, debentures and notes due to 1977. There are some 8.1 million shares issued.

Pamoil

Pamoil Ltd. recently changed its name from **Kroy Oils Ltd.**, and doubled its authorized capital to 10 million shares.

New management brought in late last year has re-activated the company with the result that six new oil producers were completed during the past year. These were at Carnduff, Sask., Keystone, Alta., and in the North Hoover field of Oklahoma. Three wildcat holes participated in were abandoned, but further work is planned in the same and other areas.

Deliveries of natural gas from the Kessler field of eastern Alberta, scheduled to begin this year, have been postponed until 1960. Operators are contemplating further field development on a four-section spacing basis.

Company has a stake in 148 oil and 19 gas wells as well as in 30 which produce both oil and formation or casing-head gas. Production for the year ended April 30, 1959, totaled 292,775 bbl. of oil and 100 million cu. ft. of gas. Declines in both from the previous year were due largely to reductions in oil allowables in Alberta and in gas allowables in Oklahoma.

Proven reserves, both drilled and undrilled, are estimated at 4.9 million bbl. of oil and 61.4 billion cu. ft. of gas.

Long-term debt consists of $900,000 of 5% debentures due 1967. There are 4.64 million shares issued and outstanding.

Permo

Permo Gas & Oil Ltd. holds varying interests in some 4.4 million acres equivalent to ownership of about one million acres, in Western Canada. Of the total, nearly 3.5 million are located in the Peel Oil and Gas—Wilson—Permo Plateau district of the Northwest Territories.

Chief holding is a 25% stake in 184,000 acres in the general Fort St. John area of northeastern British Columbia, including the prolific gas and oil pool there. The gas is being sold under contract to **Westcoast Transmission Co.** for delivery to the Canadian and U. S. west coast. Price is regulated to a certain extent by the amount of gas taken, and as the build-up in volume handled by Westcoast has been slower than anticipated, company has received only about 6 cents per mfc for its gas. However, the price will be increased to about 9 cents per mcf in January, 1960, with consequent improvement in Permo's income.

Its share of gas reserves at Fort St. John are placed at 150 billion cu. ft., while other reserves include 130,000 bbls. of crude oil, 3.7 million bbls. of propane, butanes and other natural gas liquids and 207,000 long tons of sulphur.

Capital comprises 4,905,000 of 4½% preference and 595,000 common shares, of which 4,293,093 preference and 304,150 common shares are issued. The preference stock is convertible share-for-share into common; dividends are noncumulative until 1961.

Ranger

Ranger Oil (Canada) Ltd. is presently deriving only 25% of its income from natural gas sales although 60% of its reserves are gas and only 40% are oil.

However production of gas increased 19% to 335 million cu. ft. in the first half of 1959, while oil production rose 30% to 57,000 bbls. Net revenue for the 1959 half-year totaled $151,000, a 42% increase over the corresponding period of last year and 15% over the final half of 1958.

Earlier this year the company completed a gas well in the Viking-Kinsella field, an offset oil producer at Namao, both in Alberta, and an oil well at Carnduff, Sask. Another well was planned for the Midale pool, Sask., and acreage was acquired in Burke County, North Dakota, including a direct offset to one of the best completions there.

Net recoverable reserves have been estimated at almost 1.8 million bbls. oil and 61.35 billion cu. ft. of gas proven, plus probable and possible reserves of 7.9 million bbls. oil and 51.5 billion cu. ft. of gas.

Working capital was stated to approximate $1 million at May 31, 1959. Only term debt is $150,000 of 5% secured notes, and there are 1,457,399 shares issued and 1,542,601 in the treasury.

Spooner

Spooner Mines & Oils Ltd. recently acquired petroleum and natural gas rights to more than 37,000 acres in the Coleville - Smiley - Dodsland area of western Saskatchewan. Consideration was $7,785 cash and 300,000 treasury shares, of which 90% are escrowed.

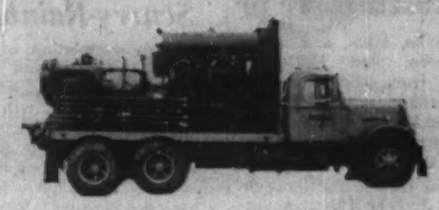
Company is obligated to drill two wells on the properties, one to be started immediately and the other by March 31, 1962.

It also holds working interests in about 20 oil wells and royalties in several others, a number of mineral claims at

(Continued on page 72)

FRACTURING AND ESKIMO WELL SERVICING LTD.

"Equipped for every type of job in any field"



★ FRACTURING ★ ACIDIZING ★ CHEMICAL SERVICE ★ GENERAL PUMPING SERVICE

FRACTURING AND ESKIMO WELL SERVICING LTD. *if the flow is SLOW—call ESKIMO!*

HEAD OFFICE: 15806-112 AVE., EDMONTON, ALTA.

Branches at: Drayton Valley, Red Deer, Calgary, Whitecourt, Okotoks, Estevan, Swan Hills Pincher Creek, Kindersley

A. D. MARGISON AND ASSOCIATES LIMITED

consulting professional engineers

30 EGLINTON AVENUE EAST, TORONTO 12, CANADA

ENGINEERING and ARCHITECTURAL DESIGN OF BUILDINGS
MANUFACTURING PROCESSES and SERVICES
BRIDGES, HIGHWAYS and TRANSPORTATION FACILITIES

ENGINEERING-ECONOMIC INVESTIGATIONS and FUNCTIONAL REPORTS

SUPERVISION of CONSTRUCTION

Mobile Industrial Units

CUSTOM BUILT FOR OIL, MINING, CONSTRUCTION AND PULP INDUSTRIES

ALSO

MOBILE HOMES AND TRAVEL TRAILERS

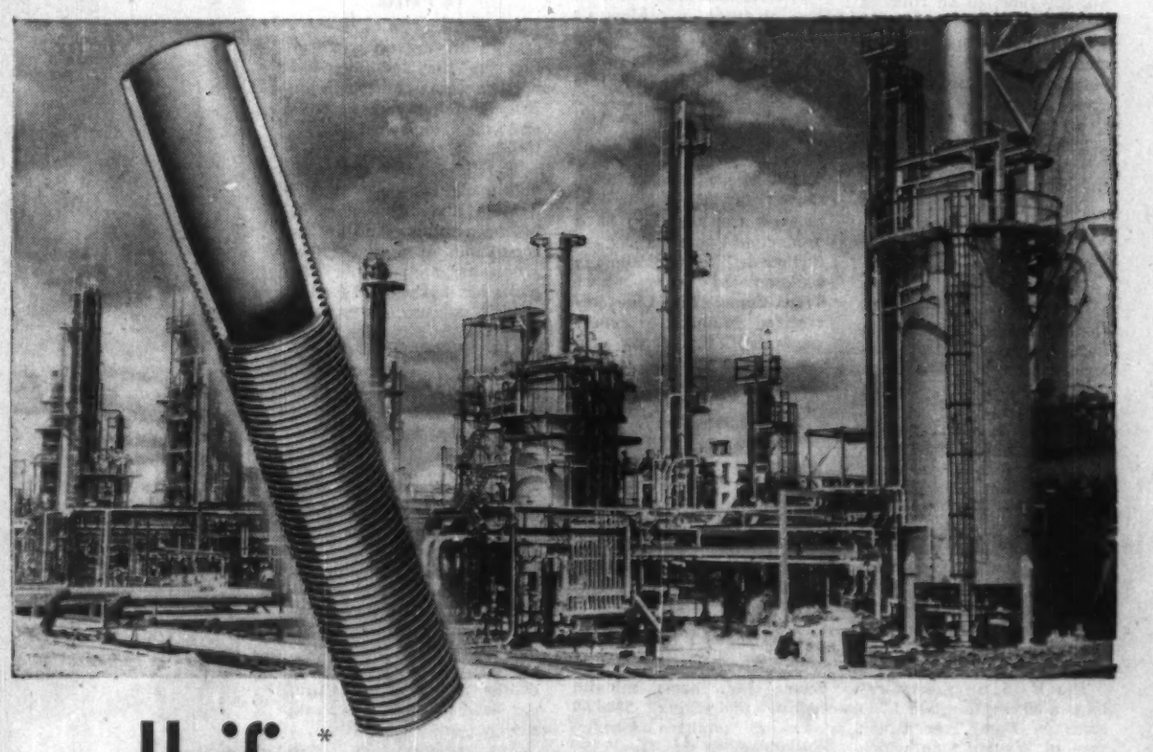
Write for Free Brochure, Containing Floor Plans, Construction and General Specifications, to

INDUSTRIAL DIVISION

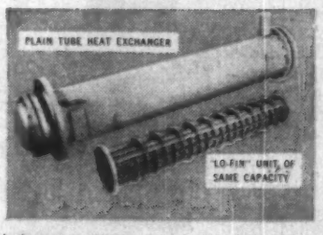
General Coach Works of Canada Ltd.

HENSALL PHONE 28 ONTARIO

Key material for a key industry!



Unifin* helps the oil refiners



In the recent modernization of a large hydrocarbon processing plant in Western Ontario, it was found that three 37" diameter shells with 16 ft Unifin "Lo-Fin" tubes would take the place of four 43" diameter shells with plain tubes of the same length. Similar examples of efficiency and economy achieved by "Lo-Fin" are in operation from coast to coast.

The recognition accorded by the refining and process industries to low-finned tube for shell and tube heat exchangers, derives mainly from the fact that low-finned tube offers more than twice the heat transfer capacity of plain tube.

In Canada, low-finned tubing is manufactured only by Unifin. It is designated Type S/T "Lo-Fin"; is integrally-finned; is available in all normal condenser tube metals; and is fully interchangeable with plain tube.

The use of Unifin "Lo-Fin" offers many possibilities to the designer. Existing units may be re-tubed to increase capacity . . . or new units may be constructed with fewer tubes, smaller shells, less fouling, reduced maintenance, less weight of metal, and less structural support.

A comprehensive Design Manual on this subject is yours for the asking—and so also is the co-operation of Unifin's engineers on your heat transfer problems. Write to:—

Unifin Tube Company

LONDON, CANADA

* THE ONLY INTEGRAL FINNED TUBE. Patented in Canada and patents pending.

Manufactured as Wolverine Trufin* in the United States by Wolverine Tube. — *Registered U.S. Patent Office

Producers

(CONTINUED FROM P. 71)

Cat Lake, Man., and in the Mistassini and Mattagami areas, Que., and through a 50%-owned subsidiary, New Quebec Mining & Exploration Ltd., a nickel prospect in Ungava, Que.

Total income for the year ended June 30, 1959, amounted to $106,467. From these net earnings of $22,568 were derived before allowing for depletion and depreciation. Working capital at mid-year was $622,086.

Authorized capital is 7.5 million shares and 5,122,265 are issued and outstanding.

Sarcee

Sarcee Petroleums Ltd. is the continuing entity resulting from the merger late last year of New Chamberlain Petroleums, Highwood-Sarcee Oils and Vanalta Ltd.

Company has a share in 47 oil wells and in 15 producing and 27 shut-in gas wells in Alberta and Saskatchewan. Most of its recent activities have been centred in the Dodsland-Eureka district of Saskatchewan, where a productive oil and gas area has been indicated over a length of about 18 miles, including the Gleneath and Eagle Lake oil pools.

The greater portion of the company's gas reserves lie in the Bindloss-Buffalo-Atlee-Jenner area of southeastern Alberta, and deliveries are being made to **Trans-Canada Pipe Lines.** Remaining reserves here are readily available for sale should government authorities approve further exports of gas. Sale of the Dodsland gas awaits the completion of sufficient wells to justify construction of a pipeline.

Landholdings comprise nearly 757,000 gross or 147,000 net acres in the two western provinces, plus a 20% interest in about 4 million acres of permits in the Canadian Arctic Islands. Geological surveys are under way on the permits.

Reserves following the merger were estimated at 965,304 bbl. of oil and about 200 billion cu. ft. of gas, both proven and unproven.

Net income was stated in August, 1959, to be running at a rate of about $40,000 monthly. Company's cash resources, depleted by the recent Dodsland-Eureka development, have been restored by a bank loan of $500,000.

There are 3,468,816 shares outstanding out of 6 million authorized.

Sapphire

Sapphire Petroleums Ltd. reports substantial progress on its 250,000-acre concession along the Gulf of Oman in Iran. Gravimetric and geological surveys have been made and are being studied at present.

Progress at the Sunshine State Industrial Park in Florida was slower than anticipated, but changes in management and increased activity in the area appear indicative of interesting future development, says the company. It has a 50% stake in the park, which covers 330 acres on which 140 industrial plants are proposed to be built.

The U. S. subsidiary retains a 50% interest in 1,760 acres in Lone Tree Creek area of Wyoming on which three oil wells were successfully completed. Two encountered oil in the Dakota formation and were the first in the district to do so. Other leases in the state have been assigned to another company which is acquiring productive lands with a view to introducing a water-flood secondary recovery operation.

Sapphire also has participating or royalty interests in some 136 other oil and gas wells in Western Canada and the U. S.

Revenue for the fiscal year ended May 31, 1959, included $302,115 from oil and gas sales, $389,241 profit on trading of securities and $250,000 management fee re Sunshine State Industrial Park. Working capital position showed a deficit of $1,773,400, due partly to bank loans and overdrafts of $1,120,629.

Funded debt comprises $3,517,042 of 5% convertible debentures due 1962 and 1965, and there are 7,867,459 shares issued.

Scurry-Rainbow

Upon completion of current transactions and farm-out arrangements, **Scurry-Rainbow Oil Ltd.** will have maintained its strong financial position with net current assets of approximately $1.8 million. It also has a line of bank credit of up to $750,000.

Company has just farmed out its 67½% interest in 3.5 million acres in the Lower Mackenzie River district of the Northwest Territories to **Richfield Oil Corp.** Consideration was a substantial cash payment plus 3% gross overriding royalty, and a refund of all expenditures made by the company on the properties. Richfield has also assumed the company's share of the cost of drilling a test well on the block.

In the Fort Nelson area of northeastern B. C., company has sold for a substantial cash price a 10% share in about 376,000 acres, retaining a 12% working interest. It is now joining with others in a wildcat test about 35 miles west of the town of Fort Nelson, scheduled to go to about 10,000 ft. depth.

Working or carried interests are owned in 175 oil and 42 gas wells, plus gross royalties in a further 450 oil producers. During the nine months ended June 30, 1959, net flow of crude oil averaged 2,400 bbl. per day, over 35% of which was derived from royalty wells.

It has 14 million bbl. of oil reserves, including 10.9 million primary and the remainder secondary.

Cash flow from operations for the first nine months of the current fiscal year was $941,632, an increase of $50,676 over the same period of last year.

There are 1,909,969 new shares issued out of 3.6 million authorized, following a one-for-seven reverse split effected last February.

Siscalta

Early this year **Siscalta Oils Ltd.** assigned about half of its assets, comprising its participations in various exploration programs of the Home Oil group, to **Alminex Ltd.** in return for 445,687 shares of that company.

Siscalta retained its natural gas reserves in Alberta's Bindloss - Buffalo - Jenner fields and oil production from Leduc and Turner Valley. It anticipates that revenue from such oil and gas sales will reach $100,000 in the current year.

Undeveloped acreage in the Claresholm and Bindloss areas is considered to have production potential, and further drilling at Bindloss is contemplated now that **Trans-Canada Pipe Lines** has received authority to export gas to the U. S.

Market value of investments in Alminex stock was equal to $1.19 per Siscalta share last June, while its remaining oil, gas and acreage interests were evaluated at a further $1.07 per share.

Net production revenue for 1958 totaled $111,684 while other income was $11,035. Working capital at the close of 1958 was $14,965.

Security Free.

Security Freehold Petroleums Ltd. owns mineral rights underlying 288,000 acres in southern Alberta, Saskatchewan and Manitoba. It leases these rights to other companies, retaining royalty and/or participating interests therein.

At mid-1959 such rights leased to others totaled 26,000 acres while 13,000 acres were under option to lease. Company also holds joint interests in an additional 141,000 gross or 21,000 net acres.

During the year ended June 30, 1959, a share was taken in the drilling of 31 wells, of which 24 were brought in as oil producers and two flowed gas. Company held working interests of 12½% or 25% in 23 of the drillers, a royalty in seven and both in one. These completions gave the company a stake in production from 93 wells as well as the Pincher Creek gas unit area.

Proven oil reserves were estimated last June at 9.2 million bbls., both drilled and undeveloped, and represented an increase of nearly one million bbls. during the year. Other reserves were estimated a year earlier at 7.8 million bbls. of condensate and gas liquids, 86.7 billion cu. ft. of gas and 141,000 long tons of sulphur. These last figures are believed to have been substantially increased since that time.

Revenue from production and lease rentals totaled $729,392 for the year ended June 30, 1959. Net profit was $450,786, equal to 24c per share. Working capital at mid-1959 was $732,270.

There is no funded debt and only 1.9 million shares are issued.

Tidal

A newcomer to the Western Canadian scene, **Tidal Petroleum Co. Ltd.** already holds interests in 21 producing oil and six gas wells in Alberta, and in undeveloped acreage there and in northeastern B. C.

Company intends to concentrate its activities on the search for natural gas. Six wells were recently brought in at Cessford, and a development program is currently under way. A contract has been signed for sale of the gas to **Trans-Canada Pipe Lines** and deliveries will start next year. In the meantime development of further reserves will be continued so that a contract can be arranged to cover all the productive acreage.

Through agreements with others Tidal has been able to maintain interests in new and speculative plays at little cost, and is able therefore to centre its efforts on projects which will show a quicker financial return.

Production revenue totaled $67,115 for the year ended March 31, 1959. Net loss for the year was $139,004 after write-offs of $95,700. Working capital at that time amounted to $440,316, not including marketable securities of $98,882 which had a market value of $77,689. Company's liquid position has since been reduced by about $100,000 due to its active program.

There are 2,797,254 shares issued out of an authorization of 5 million, and it has no funded debt.

Triad

Triad Oil Co. Ltd. is currently carrying on exploration in the foothills and northwestern Alberta, the British Columbia foothills and the Northwest Territories.

The important crude oil find made last year in the Beatton River area of B. C. has been followed up by the completion of a number of producers, and further exploitation is scheduled for the coming winter. Company's landholdings here total about 400,000 acres.

In NWT an extensive seismic program has been done on nearly 3 million permit acres in the Horn River district; interest of Triad is 20%. Application has also been made for a further 2 million acres immediately offshore from the Mackenzie River delta.

Company is a member of the Central Foothills Agreement group, which is exploring 1.3 million acres in the Alberta foothills. Several test ventures have probed the depths resulting in natural gas strikes at Mountain Park, Stolberg and Lovett River.

Net oil production aggregated 767,242 bbls. in the 1958 year, returning a revenue of $1,936,407. Further income of $628,067 was received from investments. After writing off $4.2 million for depreciation, depletion, amortization, surrendered leases and exploration expenses, net loss was $5,156,547. Working capital was $13.5 million.

More than 50% of the 13.7 million shares outstanding are held by the British Petroleum Group of London, England. Term debt comprises $30 million 4¾% convertible notes due 1971.

United Oils

United Oils Ltd. owns 35.4% of the outstanding class B voting stock of **Home Oil Co. Ltd.,** and is participating directly in exploration projects of that company and its associates.

United thus has interests of approximately 4% to 10.7% in the major Swan Hills oil field, nearly 6% in a natural gas unit at Nevis, and from 30% to 100% in 64 oil producers in the Pembina field, all in Alberta.

Gas deliveries from Nevis were expected to commence late this year, and an output of 664 million cu. ft. is anticipated for 1960, rising to one billion in 1963. The gas is contracted to **Trans-Canada Pipe Lines** at an initial price of 10 cents per mcf., with increases of ¼ cent per mcf. provided for each year. Oil production for the first half of 1959 averaged 871 bbls. per day, as against 783 bbls. daily in the same period of 1958.

With the Home Oil group, the company has agreed to pay $3.5 million and drill 5 test wells to earn a 50% interest in 1.2 million acres in the Northwest Territories just north of the B.C. border. Two or three of the ventures are planned for this winter.

Reserves were placed earlier this year at approximately 31 million bbls. proven oil and 1.2 million bbls. probable additional. Gas reserves at Nevis were 30 billion cu. ft.

Income totaled $690,532 in 1958, and a net loss of $651,522 was recorded after write-offs totaling $541,422. At mid-1959 working capital deficit was $487,882. Some financing is under consideration, possibly for next year.

United Canso

United Canso Oil & Gas Ltd. resulted from the merger last year of Canso Natural Gas Ltd. and Canso Oil Producers Ltd. and the subsequent acquisition of Pan Western Oils Ltd.

Company has interests in more than 120 oil and 110 gas wells and 2.8 million acres in Western Canada. These include small carried interests in the Boundary Lake oil and West Buick Creek oil and gas pools of northeastern British Columbia, a participating share in the Coleville and Hoosier natural gas units, the Hatton gas field and Eureka light-oil area of Saskatchewan, and the Sibbald gas field in eastern Alberta.

Production early this year was averaging 1,200 bbls. of oil and 23.6 million cu. ft. of gas per day. Reserves are not stated.

Surface exploration on the company's 50%-interest 300,000 acres in the Eagle Plains area of Yukon Territory indicate that the area is underlain by sediments suitable to the accumulation of hydrocarbons. The work is being carried out in association with other operators.

Sales of natural gas were expected to account for about 48% of the company's total sales for the 12 month period ended March 31, 1959. There are nearly 4 million shares issued and outstanding out of 6 million authorized.

W. Decalta

Net crude oil production of **Western Decalta Petroleum Ltd.** amounted to 438,000 bbl. in the first half of 1959, compared with 802,000 bbl. for the entire year 1958. Completion of additional wells at Pembina should maintain the rate between 230,000 and 235,000 bbl. per quarter for the rest of the current year, company believes.

A water injection program at Turner Valley is being accelerated, and negotiations are under way for unitization of the rest of this field and of further producers at Pembina. This would be followed by expansion of secondary recovery projects in those pools.

Additional development is planned at Rimbey in order to meet commitments for gas deliveries, scheduled to start late next year. Two oil producers were recently brought in on a 15-section spread at South Sturgeon Lake, from which the company and its partners can select 14 quarter-sections of leases. A driller at Malmo has been suspended, as well as a test venture near company lands at Simonette, Alta.

Company's group has also acquired, since last May, varying interests in producing properties which it estimates have added 500,000 bbl. of oil to its reserves.

Prior to this, company reserves, both proven and probable, were placed at close to 15 million bbl. of oil and 50 billion cu. ft. of gas.

Gross acreage holdings aggregated some 3.2 million acres at mid-1959, for a net ownership of 1.6 million.

Western Decalta also manages the operations of two other independents, **Petrol Oil & Gas Ltd.** and the **Okalta Oils Ltd.** group.

Consolidated cash income for the 6 months ended June 30, 1959, was $756,770, while net loss was $249,624 after write-offs, exploration costs, lease rentals and minority interest. There are outstanding $3,073,750 of 5½% notes due 1968 and 1969, and a 5% production loan of $1,386,285 due 1972.

Westburne

Westburne Oil Co. Ltd. invests its funds in oil,

(Continued on page 73)

RANGER OIL (CANADA) LIMITED

505 — 8th Avenue West Phone AMherst 3-1500

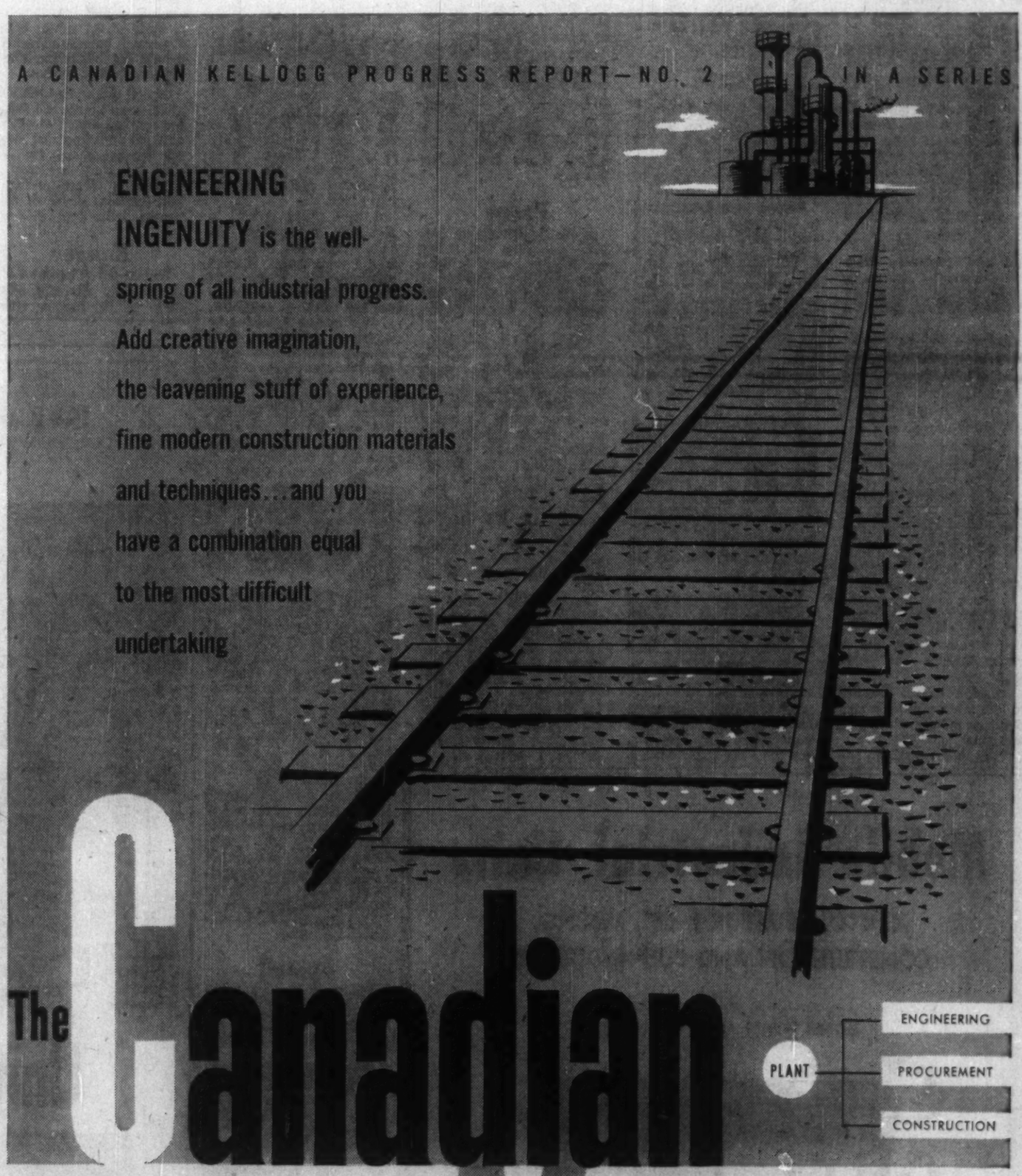
Calgary — Alberta

GAS RESERVES CONTRACTED IN SUBSTANTIAL QUANTITIES TO NORTHWESTERN UTILITIES LIMITED AND TO TRANS-CANADA PIPELINES LIMITED

Oil and gas properties in Alberta, Saskatchewan, British Columbia, Wyoming, North Dakota and Kansas.

U. S. Subsidiary

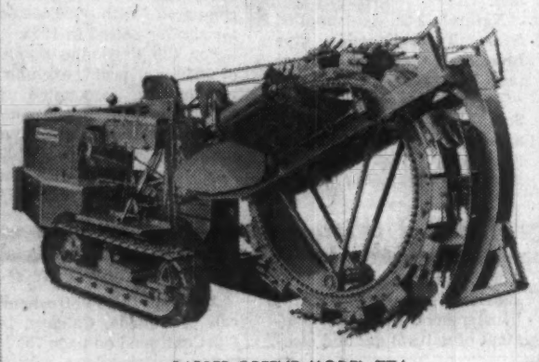
RANGER OIL COMPANY, LUSK, WYOMING, PHONE 300



in Ontario it's...
ONTARIO EQUIPMENT FOR SELF-PROPELLED CONSTRUCTION EQUIPMENT

CANADIAN INGERSOLL-RAND CRAWL-IR

. . . moves itself and its own air compressor to the job. With hydraulically-controlled boom and tower, CRAWL-IR can be positioned ready for drilling in just 60 seconds!



BARBER-GREENE MODEL 774 WHEEL DITCHER

. . . travels at up to 31 feet per minute; digs a trench up to 30 inches wide and five and a half feet deep even in frozen ground. New, easy-to-operate controls.

DOMINION MODEL 480 1½ CU. YD. PULLSHOVEL

. . . ruggedly built for efficient operation under all conditions. The powerful and readily maneuverable Dominion 480 Pullshovel takes the biggest excavating jobs in its stride!

in Ontario it's...
ONTARIO EQUIPMENT
AND SUPPLY LIMITED
EXPERIENCED EQUIPMENT MEN
FAST DELIVERY • USE OUR RENTALS, REPAIRS AND SERVICE FACILITIES
1 Copeland St., Leaside, Ontario • HU 1-6841

Gas Companies

Ajax

Ajax Petroleums Ltd., Calgary, produces and sells natural gas from its own and other gas wells in the Morinville-Atim area of Alberta.

A new 15-year gas contract was negotiated with **Canadian Chemical Co.** to supply their Edmonton operations. The initial annual purchase of more than $1 million natural gas is expected to increase steadily.

Other contracts in force cover distribution for the town of Morinville.

In the Morinville area, the company owns 13 gas wells which are tied into a subsidiary's pipeline along with seven wells of other companies. Prospective gas and oil lands are also held in Manitoba, Saskatchewan and Alberta.

Ajax Alberta Pipeline Ltd., a wholly owned subsidiary, owns and operates a 53 mile main line and gathering system capable of transmitting over 60 million cu. ft. daily.

Ajax Processors Ltd., wholly owned, operates an oil absorption plant capable of producing 140 bbl. of casinghead gas per day.

Ajax West Leaseholds Inc. was incorporated in Delaware to hold the parent's acreage in the U. S. 50% interest in 10,000 acres was purchased in Muskigum county, Oklahoma on which a dual oil and gas well has been successfully drilled. Considerable work has been done on three other leases and company expects improvement in this area.

Through two subsidiaries, **Galinee Mattagami Mines Ltd.** and **Isle Dieu Mattagami Mines Ltd.**, the company owns 60 zinc-copper mining claims in Mattagami, Que.

Consolidated net profit for 1958 at $88,871 was 37.4% higher than the previous year. Earnings per share were approximately the same in both years, at 2c per share.

Outstanding capitalization at Dec. 31, 1958, consisted of 4,025,000 common shares, 50c par. In 1958, 25,000 shares were issued for mineral rights.

Funded debt in the form of 5% convertible sinking fund debentures, due 1962, totaled $950,000.

B. C. Electric

British Columbia Electric Co., wholly owned operating subsidiary of **British Columbia Power Corp.**, is the most extensive public utilities system in western Canada. It generates and distributes electricity to Vancouver, Victoria, Westminster and 82 other communities in British Columbia.

The natural gas system includes 2,192 miles of mains on the mainland and in greater Victoria. The railway subsidiary operates a railway and interurban bus system.

For the 12 months ended July 31, 1959, company sold 3,210 million kwh of electricity and 116,676 M therms of natural gas. The transportation system carried 94,944 passengers.

The fourth and final unit of the Port Mann gas turbine plant is scheduled for completion by the year-end. To burn either oil or natural gas, it is expected to supplement the hydro system in critical water years.

The company is proceeding with the construction of a steam plant having an ultimate capacity of 945,000 kw. First of six units is planned for completion in April, 1961. This is expected to bridge the gap until additional hydro electric power will again be available.

A new agreement with **Westcoast Transmission Co.** calls for the purchase of natural gas commencing 1961, up to 144 million cu. ft. per day.

In November, 1959, $40 million 6% convertible sinking fund debentures, Series B, were offered to the public at par. Each $1,000 debenture is convertible into 27 common shares of British Columbia Power Corp. to 1963; 25 shares to 1966, and 23 shares to 1969.

The proceeds of the issue—together with proceeds of an issue of $850,000 Series N bonds to be sold not later than Jan. 15, 1960—are to finance company's program into 1960. It is estimated the $24 million will be available for 1960 expenditures.

Consolidated net profit for the 12 months ended July 31, 1959, amounted to $17,110,224 an increase of 41.2% over the previous 12 months.

Outstanding capitalization on a pro forma basis as at July 31, 1959, consisted of $104,413,400 in preferred stock and 3,708,586 npv common shares. Funded debt totaled $333,293,614.

Consumers

Consumers' Gas Co., Toronto, directly and through subsidiaries has been distributing natural gas in Ontario for the past five years.

During 1959, natural gas was introduced into the Ontario communities of Bradford, Stouffville, Uxbridge, Camp Borden and Port Dalhousie. The distribution system at Peterborough was converted to natural gas in February, 1959.

Consumers' service area now extends from Brampton and Streetsville on the west to Bowmanville on the east, and runs north to Barrie then out to Collingwood and Midland. Service is also extended to Peterborough and Lindsay.

Wholly owned subsidiary, **Provincial Gas Co.**, operates in the Niagara peninsula. **Ottawa Gas** serves Ottawa, Brockville and Ottawa Valley centres.

St. Lawrence Gas Co. Inc., wholly owned, holds franchises in 17 communities in northern New York state. A U. S. firm is competing for gas distribution rights with the company, and the matter is before the Federal Power Commission and the State of New York Public Service Commission.

Shorgas Ltd., a bottled propane gas distribution company, was acquired in Decem-

(Continued on page 74)

Producers

(CONTINUED FROM P. 72)

natural gas and related industries and through a wholly-owned subsidiary is also engaged in searching for oil and gas.

At June 30, 1959, company's portfolio of marketable securities had a market value of $3,356,850, which was 11.9% in excess of cost. Its share of oil production averaged 925 bbls. per day during the first half of this year compared with a daily average of 953 bbls. in the same period of 1958. At mid-year the subsidiary owned the equivalent of 39.6 net oil wells.

Four new oil producers were completed in the Steelman field, Sask., early this year, and a share was acquired in 8 wells at Turner Valley, Alta., where a waterflood program is progressing satisfactorily. Two wells were planned on a drilling reservation at South Sturgeon Lake, Alta., and four were scheduled to earn an interest in 15,000 acres in the Warburg-Pigeon Lake area.

Oil reserves were placed at 9.2 million bbls. primary proven developed and 7 million bbls. probable additional from secondary recovery methods.

Income totaled $718,996 for 1958, from which a net profit of $131,952 was retained after provision of $410,282 for non-cash items. Working capital at the close of last year was $275,095.

Only debt is a production loan of $660,000, repayable over three years. There are 4,885,000 shares issued out of 10 million authorized.

W. Naco

Western Naco Petroleums Ltd. owns the equivalent of 14.85 net oil and 1.4 net gas wells and has a share in 191,000 gross or 43,000 net acres in Western Canada.

During the year ended May 31, 1959, it participated in drilling four wells resulting in three successful producers in the Midale field, Sask. The one dry hole was a wildcat venture drilled on a farmout at no cost to Naco. Two more wells have since been brought in at Midale.

A new market for 10,000 bbl. per day of Midale-type crude was developed last June and should about double the company's Saskatchewan production.

Net proven oil reserves are placed at 1.245 million bbl., excluding probable reserves at Hughenden, the Lower Cretaceous zone at Drumheller, etc. Gas reserves were 4.6 billion cu. ft.

Production revenue amounted to $177,393 for the 1958-59 fiscal year, while net loss was $97,326 after providing for write-offs and exploration costs of $160,674. Working capital position showed a deficit of $97,180 at May 31, 1959, but negotiations are under way for new major financing to provide sufficient funds to enable the company to participate in new development as opportunities arise.

There are outstanding $368,500 of 5½% convertible debentures due 1970, and 1,087,985 shares.

West Cdn.

West Canadian Oil & Gas Ltd. anticipates earnings for the current year will substantially exceed those for 1958. Production is running higher in the second half of this year and lifting costs and administrative expenses are showing per barrel savings, but these will be offset somewhat by lower crude oil prices.

Participations were taken in drilling 13 wells during the first seven months of 1959. Four were successful oil wells in the Pembina field, but the nine exploratory ventures were all dry.

Company's largest landholdings, totaling some 1.8 million acres, lie in northeastern B. C. and several blocks are fairly close to important gas discoveries. Much of the acreage is being explored by other operators, with the areas of particular current interest including Milligan Creek-Beatton River, Jedney and Kotcho Lake.

Reserves were estimated last year at 10.2 million bbls. proven oil, 27.29 billion cu. ft. of gas, 790,000 bbls. gas liquids and 25,000 long tons of sulphur.

Net cash flow before write-offs amounted to $525,077 for the six months ended June 30, 1959, compared with $1,164,277 for the year 1958. Working capital at mid-1959 was $2,872,823.

Term debt consists of $3,710,500 of 5% and 5½% secured notes due 1966, 1967 and 1973. There are 15 million shares authorized, with 6,962,187 issued.

Bata

In addition to its gas and oil interests in Saskatchewan and Alberta, **Bata Petroleums** has been taking a greater stake in potash developments in Saskatchewan.

Earlier this year shareholders approved a plan to sell the company's natural gas operations and those of its subsidiary, **Unity Gas Supply Co.**, to Saskatchewan Power Corp.

Proceeds of about $475,000 in cash were slated for purchase of treasury shares of **Continental Potash Corp.** Continental holds potash prospects near Unity, Sask.

In the year ended March 31, 1959, gross income totaled $216,260, including $203,414 from production. Net profit was $26,587, down from $70,979 in the preceding year.

Increased operating costs coupled with mounting exploration and land acquisition

(Continued on page 82)

99

Head Office CALGARY
PRODUCERS
REFINERS
MARKETERS
PURITY 99 PRODUCTS

Contemporary Canadian

This recently-opened Purity 99 service station in Calgary—the most modern concept in motoring service in Canada today—is a fitting symbol of a forward-thinking company. It is indicative of the tremendous growth of Anglo American Exploration Ltd. which is spreading the market area of Purity 99 products. More than that, it is proof that free Canadian enterprise and know-how can develop Canadian resources for the benefit of all: investors, employees and consumers.

A FULLY INTEGRATED INDEPENDENT CANADIAN COMPANY

ANGLO AMERICAN EXPLORATION LTD.

SUBSIDIARIES :— CANADIAN WILLISTON MINERALS LTD. GRIDOIL FREEHOLD LEASES LTD. NOVA SCOTIA OIL & GAS COMPANY LIMITED

INLAND CEMENT

SERVING WESTERN CANADIAN DEVELOPMENT

FOUR HIGH QUALITY PRODUCTS DESIGNED FOR WESTERN CANADIAN CONSTRUCTION AND OIL INDUSTRIES

Quality Cements prepared specifically to meet the needs of Western Canadian Development.

- INLAND PORTLAND CEMENT
- INLAND SULPHATE-RESISTANT CEMENT
- INLAND HIGH EARLY STRENGTH CEMENT
- INLAND-HALLIBURTON OIL WELL CEMENT

WRITE FOR FREE TECHNICAL BROCHURES

INLAND CEMENT COMPANY LIMITED

EDMONTON, ALBERTA, P.O. BOX 2555

CALGARY, ALBERTA, 321 - 10th AVE. S.W.

Gas Companies

(CONTINUED FROM P. 73)

ber, 1958. It operates plants at Whitby, Brighton, Pembroke, Renfrew and Hawkesbury, Ont.

Cartier Gas Corp., is being assisted by the company in obtaining franchises and permits for construction of a 437-mile transmission system to supply communities south and east of Montreal. The company is being financed by Consumers', but it is contemplated that financing for the proposed construction will be raised through public offerings.

Natural gas, interim financing and management services are being supplied to **La Société Gazifère de Hull, Inc.** Company has constructed a pipeline across the Ottawa River.

This week, company issued $10 million 20-year 6½% sinking fund debentures, non-callable for 10 years, which were offered at par.

In February, 1959, a $10 million issue of 5½% cumulative preferred stock, series B, was sold at $99 per share to yield 5.56%.

Pipeline construction was held to lower levels during the year, due to increased cost of financing.

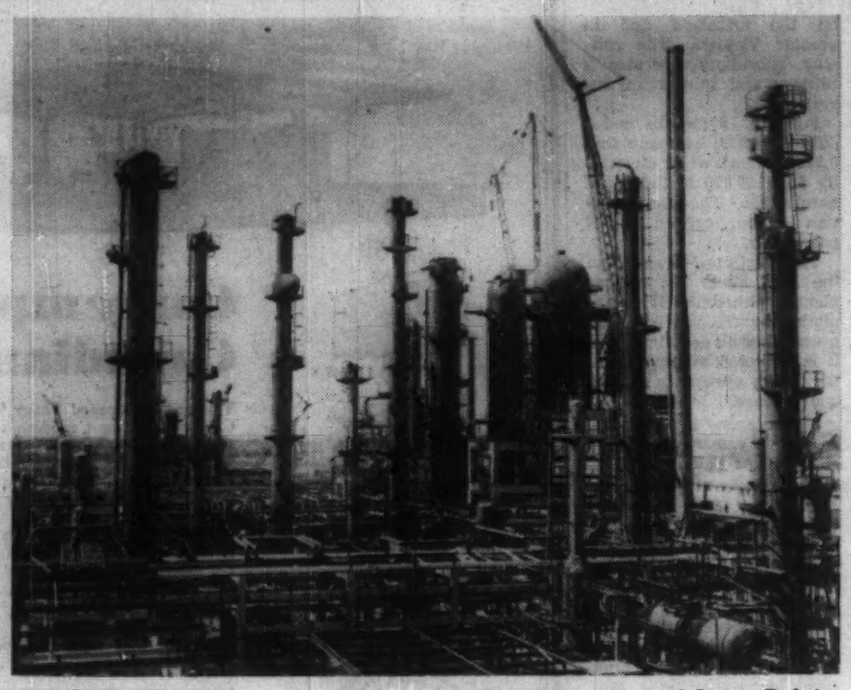
At Sept. 30, 1959, company had 221,535 (211,773 a year earlier) residential customers; 10,770 commercial customers (9,646); and 2,611 industrial customers (2,507).

Total sales of natural gas in 1958-59 fiscal year were 29,-290,240 mcf (22,681,335 mcf). Area being served by the company in 1959 totaled 1,019 miles, and there was 7,252 miles of main in use throughout the system.

Consolidated net profit of $4,057,045 or $1.85 per common share for year ended Sept. 30, 1959, was 56% higher than previous fiscal year's net of $2,598,623 of $1.27 per share.

Shareholders (other than U. S.) of record Nov. 30, 1959, have been offered the right to purchase one additional share for each six shares held at $32.50 per share. Offer expires Dec. 18.

Funded debt outstanding included $28.6 million first mortgage sinking fund bonds and $51.7 million sinking fund debentures.



NEW BRUNSWICK's first major refinery, the $50-million project of Irving Refining Ltd. at Saint John will soon come into operation.

Cdn. Hydrocarb.

Canadian Hydrocarbons started in Winnipeg in 1955, by acquiring the propane operations of **Greater Winnipeg Gas Co.** (then **Winnipeg & Central Gas**). Since then, company has spread its operations from Northwestern Ontario to British Columbia, making it the dominant propane distributor in Western Canada.

Principal subsidiaries are:

Canadian Propane Ltd., which is 73% owned, serves, through subsidiaries, northwestern Alberta and northeastern British Columbia.

Hugh Gas Ltd. and **Canadian Propane (Sask.)**, wholly owned, which account for most of the propane business in Saskatchewan.

Canadian Propane (Manitoba) Ltd. (wholly owned) and **Canadian Propane (Ontario) Ltd.**, which distribute throughout Manitoba and the Ontario Lakehead district, respectively.

Alberta Underground Storage Ltd., in which company has a 40% interest, has developed salt domes as storage reservoirs for liquefied gases during the summer. Initial capacity is 12 million gallons. It is expected that these storage facilities will have a profitable effect on earnings during the 1960-61 season.

Combined sales in 1958 amounted to $7,156,164, down from $8,075,187 in 1957. In the first six months of 1959, sales increased by 2.5% to $3,311,381.

Consolidated net profit for the nine months ended Sept. 30, 1959, was $421,652 ($13,-895 in the comparable 1958 period), equal to 60c (2c) per share. Earnings per share for the full year 1958 amounted to 35c per share against 47c for the same period the year before. Earnings for all of 1959 are estimated at 90c.

Outstanding capitalization at Dec. 31, 1958, amounted to 700,000 npv common shares.

Working capital at Sept. 30, 1959, was $1,696,633, a $365,-961 increase since the year-end.

Funded debt at Sept. 30 totaled $2,292,000. This was made up of 5¼% debentures, No. 1, due 1959-63; 5¼% notes; 5½% collateral trust sinking fund debentures, due 1966, of Canadian Propane; and 5½% sinking fund debentures, due 1967, of Sturdie Propane.

Cdn. W. Nat. Gas

Canadian Western Natural Gas Co., Calgary, distributes natural gas to domestic and industrial users in Calgary, Lethbridge and some 60-other communities in southern Alberta.

A total of 82,777 customers were being served at Sept. 30, 1959, an increase of 3,000 during the year.

Recoverable gas available to the system now totals some 1,086 billion cu. ft.

Gas purchase contracts have recently been signed with **Devon Palmer Oils** and **Texas Gulf Sulphur** covering purchase of gas from the Okanagan field.

Others supplying gas to the company include **British American Oil** from the Fenn-Big Valley and Stettler fields; **Madison Natural Gas Co.**, from the Turner Valley field and **Shell Oil of Canada Ltd.** from the Jumping Pound field.

Company owns small fields at Bow Island and Foremost which are used to supply winter peak requirements for the system.

Additional lands have been acquired in the Carbon field.

Contracts with **Trans-Canada Pipe Lines**, **Westcoast Transmission** and **Alberta & Southern Gas Co.** assure the company of gas supplies in priority to export sales of these lines.

Capital expenditures for 1960 are estimated at $3.5 million.

For the first nine months of 1959 revenue totaled $8,-888,392 on gas sales of 29,-284,374 mcf. Revenue of $12.7 million is estimated for all of 1959 on sales of 40,844,800 mcf.

Earnings in 1958 were equal to $2.49 per share on the preferred shares and 99c on the new npv ordinary shares, compared with $4.20 and $1.17 respectively in 1957.

Company is controlled by **International Utilities Corp.** of New York.

Great Northern

Great Northern Gas Utilities Ltd., Edmonton, is a holding company which, through subsidiaries, sells and distributes propane, natural and manufactured gas and electricity in western Canada.

Operating subsidiaries include:

Rockgas Propane Ltd., acquired in 1953, markets propane in British Columbia, including Vancouver Island. To extend its operations, it acquired **Duncan Propane Ltd.** at Duncan, B.C., and opened additional branches. The larger volume of business in 1959 results from an aggressive sales campaign and operating economies.

North Shore Propane Co. markets propane in and near Sault Ste. Marie, Blind River and Elliot Lake, Ont. Upon completion of the Trans-Canada Highway between Sault Ste. Marie and Jamestown in late 1959 or 1960, markets will be further expanded.

In June, 1958, the propane division of **McMaster Fuels Ltd.**, Sault Ste. Marie, was acquired. Its operations are being gradually integrated with those of North Shore.

Plains-Western Gas & Electric Co. distributes natural gas in Alberta, British Columbia, and Brandon, Man. It also distributes electricity in Yellowknife, N.W.T. The largest natural gas distribution property at Brandon completed its first full year of operation in 1958. The potential market is 6,000 customers.

Great Northern Gas Co. has been distributing manufactured gas in Sault Ste. Marie since 1924. It operates under a franchise, which also covers distribution of natural gas, expiring 1977. A drop in operating costs of this subsidiary in 1959, should result from studies carried out in 1958.

For the six months ended June 30, 1959, net profit (subject to year-end audit) amounted to $250,652, an increase of 81% over $138,377 for the similar period in 1958. Earnings per common share were 26c against 10c.

Still further improvement is expected over the entire year, the president said.

Total operating revenues for twelve months ended June 30, 1959, totaled $5,298,-115 as compared with $4,499,-672 for the year ended June 30, 1958.

Propane revenues were $2,337,455 ($2,168,688).

Natural gas revenues totaled $1,621,698 ($1,058,050).

Manufactured gas revenues amounted to $322,320 ($310,-582).

Sales of electricity were $240,554 ($197,667).

Initial dividend of 10c per share was paid on the common stock, June 1, 1959. Further dividends will be considered semiannually.

Common stock outstanding at June 30, 1959, totaled 698,-584 $1 par shares.

Greater Wpg.

Greater Winnipeg Gas Co. (formerly **Winnipeg & Central Gas**) distributes gas in the Greater Winnipeg area.

Company was organized in 1952 to take over the manufacturing and distributing assets of **Winnipeg Electric Co.** In 1958, company was reorganized and refinanced.

Following a provincial royal commission and legislation enacted by the Manitoba government in July, 1959, company's franchise position was clarified. A uniform 25-year franchise was established in the sixteen communities comprising Greater Winnipeg. Provision is made for renewals for further terms.

Natural gas is supplied to the company from Trans-Canada Pipe Lines under a 20-year renewable contract.

Company's distribution facilities include 440 miles of high and low pressure mains. During 1959, capital expenditures included installation of service to new customers, reinforcements of portions of the distribution system and expansion of mains to new areas. Construction expenditures will total approximately $5 million for 1959.

Net profit for the six months ended June 30, 1959, totaled $21,896 as compared with a deficit for the same period last year. No taxes were payable due to loss carry forward. For the full year 1958, net loss was $478,700.

In spite of bad weather, 8,436 services were added to the line in the first 10 months of 1959. By year end, approximately 22,000 customers will be using gas for residential, commercial and industrial heating.

Outstanding capitalization consisted of 893,355 npv common shares at June 30, 1959.

Long term debt totaled $11;378,500 at the same date. It was made up of $6.5 million 5¾% bonds, due 1978; $2.5 million 6% debentures, due 1979; and $2,378,500 5½% debentures, due 1980.

Company's remaining 19.3% interest in **Canadian Hydrocarbons Ltd.** was sold in 1958 for $827,700.

Inter City Gas

Inter-City Gas, Winnipeg, distributes natural gas under exclusive franchise in the Manitoba communities of Portage la Prairie, Neepawa, Rivers, Hamiota, Steinbach, Minnedosa and Miniota.

Natural gas is supplied to the National Defence establishment at Camp Shilo and to the Canadian Joint Air Training Command station at Rivers.

A distribution system is being installed at the RCAF station, Portage la Prairie. The service is expected to be in operation early in 1960.

At Sept. 30, 1959, company had 2,213 customers. These are expected to be increased to 2,715 by the year-end.

Capital expenditures for 1959, in addition to installations at Miniota, are estimated at $285,000.

Company began its first sales of natural gas in October, 1957. Sales for the first nine months of 1959 totaled 525,184 mcf. For all of 1958, sales were 323,000 mcf.

A contract has been signed for service to the new **Campbell Soup Co.** plant scheduled for completion in 1960. Annual consumption for this plant is estimated at 66,000 mcf.

Natural gas is supplied from **Trans-Canada Pipe Lines** under contract in force until Nov. 1, 1977.

For the nine months ended Sept. 30, 1959, net profit amounted to $42,549. For the full year 1958 company sustained a net loss of $86,008.

Intnl. Utilities

International Utilities Corp., New York, through subsidiaries is engaged in the management and development of natural gas and electricity companies and properties mainly in Alberta.

Northwestern Utilities operates in 70 communities, including Edmonton, in Alberta. Canadian Western Natural Gas distributes natural gas in Calgary, Lethbridge and some 60 other communities in southern Alberta.

Another wholly-owned subsidiary, **Canadian Utilities Ltd.**, supplies electricity to 328 communities in central and northern Alberta, two in Saskatchewan, and the area around Whitehorse in the Yukon territory.

International maintains a large investment portfolio, the marketable securities of which were valued at $10,-734,808 at Dec. 31, 1958.

Holdings of stocks, bonds and debentures of **Trans-Canada Pipe Lines** were sold in 1958. The company retained its commitment to buy [illegible] required to do so, up to $[illegible] million Trans-Canada 5½% convertible income notes.

Operating revenue for the nine months ended Sept. 30, 1959, totaled $26,572,321 compared with $20,554,848 for similar period in 1958.

For the first nine months of 1959, net profit, excluding investments, amounted to $3,807,201 or $1.55 per share. Including investments, net profit per share was $1.83. For the full year 1958, net profit of $3,768,052 was 3.7% higher than the previous year.

Jefferson Lake

Jefferson Lake Petrochemicals of Canada, Calgary, in-

(Continued on page 75)

EXPERT FABRICATION

of Equipment and Materials including services for

- Gasoline plants
- Chemical plants
- Oil refineries
- Industrial plants

STORAGE TANKS AND HOPPERS—larger sizes erected in the field according to customer and A.P.I. specifications.

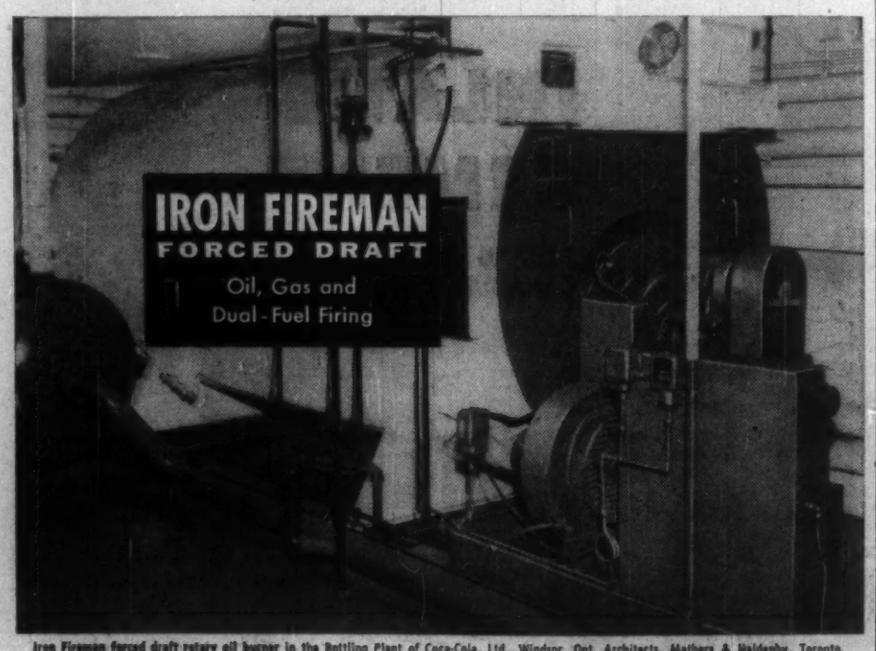
FABRICATED PIPING—top level workmanship and on schedule delivery.

A complete service backed by the experience of over a quarter of a century.

CANADIAN BROWN STEEL TANK CO LIMITED
BRANDON MANITOBA

Sales Office: 1385 St. James Street, Winnipeg, Man.

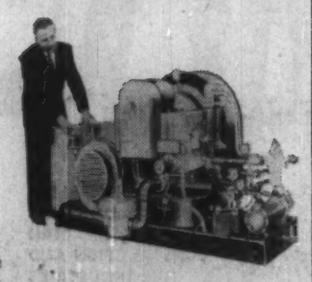
AGENTS: MacKay-Morton Limited (Saskatchewan), Regina, Saskatoon; Cumming Galbraith Ltd., Edmonton, Calgary, Alberta



Iron Fireman forced draft rotary oil burner in the Bottling Plant of Coca-Cola, Ltd., Windsor, Ont. Architects, Mathers & Haldenby, Toronto.

STEAM

Low-cost, dependable, plentiful. Quick response to varying loads.



Here is a modern steam plant—compact, efficient and completely self-contained. It requires no pit, no brick boiler setting, no high stack—in fact, little more than service connections are needed to put it in operation.

The Iron Fireman firing system is a single factory-built package which is an integral part of the Scotch marine boiler—one of the most compact boiler designs ever developed. Precision controls keep steam pressure steady, even with extreme load fluctuation. Dual-fuel models fire either gas or any grade of oil with highest efficiency. Fuels can be switched instantly, either manually or automatically.

Such a thoroughly engineered unit has many advantages for the owner beyond its inherent fuel and labor saving efficiency. Factory responsibility covers practically the entire job, with no separate contracts for wiring, oil heating system, automatic control system or forced draft air supply.

Separate firing units available for all types of boilers

No mere conversion burner, these package burner units contain every component for balanced firing; single or dual-fuel systems and burners, forced draft air supply, built-in combustion refractory, completely wired and tested controls. Iron Fireman burner units are carefully assembled and tested at the factory. This means the kind of continuing dependability and operating efficiency seldom achieved with local assembly.

Send coupon for detailed information and specifications

IRON FIREMAN MANUFACTURING CO. OF CANADA, LTD.,
Dept. 122, 80 Ward Street, Toronto, Ontario

Please send catalog and specifications on following equipment:
☐ Complete boiler-burner units.
☐ Forced draft firing unit only.

Name_____
Firm_____
Address_____
City_____ Province_____

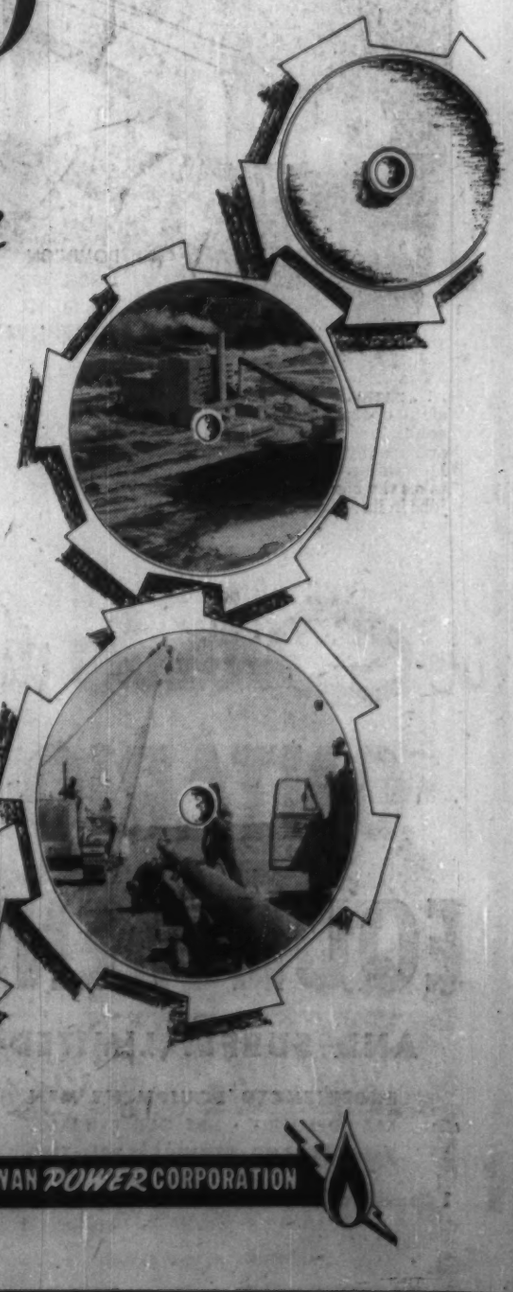
IRON FIREMAN.
AUTOMATIC FIRING EQUIPMENT
FOR GAS, OIL, COAL

KEEPING
AHEAD
WITH
Saskatchewan

To meet the challenge of the ever increasing demands of Saskatchewan's expanding economy, great strides have been made in the last decade to expand Power and Natural Gas facilities throughout the province.

To fulfill an electrical demand which doubles every four years, two new generating stations, the recently completed Queen Elizabeth Power Station and the Boundary Dam Generating Station, slated for completion in early 1960, will increase capacity by 264 thousand KWS. These plants at Saskatoon and Estevan will ensure adequate supplies of power to farm, home and industry.

Since 1952, more than 70 communities have been served by an ever expanding network of Natural Gas Transmission and distribution pipelines.



SASKATCHEWAN POWER CORPORATION

Gas Companies

(CONTINUED FROM P. 74)

corporated Dec. 30, 1957, is a subsidiary of Jefferson Lake Sulphur Co., New Orleans. It was formed to take over all the interests in Canada of the parent company.

Upon incorporation, the company acquired from the parent, its Peace River sulphur recovery plant and facilities, gas wells and leasehold interests in the East Calgary field and contract rights pertaining to East Calgary and Savanna Creek.

All production in 1958 — 55,900 long tons — from the Peace River plant was stockpiled. During the first nine months of 1959, 34,195 long tons were produced. Sales are made under contract, principally to consumers in British Columbia and the State of Washington.

Plans are under way for the construction of permanent loading facilities at Vancouver to facilitate volume exports on ocean-going vessels. These facilities, in which the company expects to have equity interest, are to be completed in the first half of 1960.

In the East Calgary field, the "farm-out area" being controlled and developed by the company contains approximately 70% of the proven reserves in the field.

Proven reserves of producible raw gas available to the company are estimated to produce approximately 700 billion cu. ft. of pipeline gas, 9,530,000 bbl. of condensate, 7,120,000 bbl. of liquefiable petroleum gases and 10.1 million long tons of sulphur.

A site has been purchased for the construction of the necessary plants and facilities to process reserves from the East Calgary and Savanna Creek projects. Completion is scheduled for November, 1960.

Contract with **Westcoast Transmission Co.** provides for free delivery of concentrated hydrogen sulphide gas from the Savanna Creek field. Westcoast will participate in profits from the sale of the resulting sulphur.

Another agreement with Westcoast provides for the sale to Westcoast of 100 million cu. ft. of pipeline gas from the Calgary field. The contract further provides for a minimum "take or pay" of 30 million cu. ft. per day in November, 1960, increasing to 75 million cu. ft. per day in July, 1961.

For the six months ended June 30, 1959, net profit amounted to $4,282 after depletion, depreciation and amortization charges of $124,387.

Outstanding capitalization of the company at Dec. 31, 1958, consisted of 2,025,018 common shares, par $1. Of these, 1,425,000 were issued to the parent company in exchange for assets and 600,000 sold in June, 1958, in Canada and the U. S. An aggregate of 60,000 common shares are reserved for the exercise of share purchase warrants expiring June 1, 1963.

Lakeland

Lakeland Natural Gas Co., Kingston, Ont., is developing natural gas services in eastern Ontario from Port Hope to Cornwall.

Construction of company's distribution system began in October, 1957, and by February, 1958, initial deliveries of gas were made. Communities served include Cobourg, Trenton, Belleville, Napanee, Gananoque, Prescott and Cornwall.

Company recently signed contract with **Canada Starch Co.** to provide fuel requirements for company's production plant at Cardinal, Ont.

Company has a 20-year contract with Trans-Canada for natural gas delivery rising from 3.2 million cu. ft. daily in the first year to 20.3 million cu. ft. in the fifth year.

For the year ended Sept. 30, 1958, company had a net loss of $4,749, compared with a net profit of $9,873 for the previous fiscal year. More than $4.1 million was spent on construction of transmission and distribution facilities during the year.

Outstanding capitalization at Sept. 30, 1958, was 1,387,066 common shares, $1 par.

Funded debt totaled $6,731,100 6% subordinated debentures, due July 15, 1982.

Long Point

Long Point Gas & Oil continued the probe of its extensive offshore holdings in Lake Erie this year. Results included discovery of a gas pool in a previously untested region around Port Maitland. Three commercial wells were completed in this area, but delays were experienced in linking them to the gathering system of **Union Gas.**

In the Port Dover area, where the first successful drilling by Long Point was completed, a total of five wells have now been put on stream. Two of the wells gave open flow tests of over one million cu. ft. per day. Combined potential of the five wells is estimated at four million cu. ft. per day. Gas deliveries to Union Gas started from these wells earlier this year.

Three dry holes were drilled in the Port Dover area this year.

Long Point at April 30, 1959, had current assets of $392,145 including $390,448 in cash and short-term investments. Current liabilities were $15,834.

Investment in the wholly owned drilling subsidiary — **Translake Drilling**—is carried at $648,388. Translake owns three drill towers.

Mid-Western Ind.

Mid-Western Industrial Gas, Edmonton, Alta., directly and through subsidiaries operates a pipeline and gathering system supplying natural gas under long term contracts from its 26 wells to industrial consumers.

Wholly-owned subsidiaries are:

Mid-Western Industrial Pipelines Ltd., operates a gathering system and transmission line from Fort Saskatchewan wells to the Sherritt Gordon refinery.

Mid-Western Pipelines (Wabamun) Ltd., delivers natural gas from the Alexander Indian Reserve to Wabamun through a 34 mile pipeline.

Mid-Western Pipelines (Redwater) Ltd., delivers residue gas from Redwater to Fort Saskatchewan through a 19 mile pipeline.

Mid-Western Industrial Processors Ltd., operates a refrigeration plant which extracts natural gasolines from Alexander field gas.

Control is held by the company of some 130,000 acres in Alberta including holdings on the Alexander Indian Reserve on which there are nine gas wells. In July of this year, 36,440 acres were purchased about 25 miles south of the Provost gas field. If gas is discovered, a ready market is anticipated because of its proximity to a branch of the **Alberta Gas Trunk** system.

Residue gas is purchased from **Imperial Oil's** absorption plant at Redwater.

Proven gas reserves at the end of 1958 were estimated at 200 billion cu. ft. In addition, the company had access to 100 billion cu. ft. of residue gas in the Redwater field.

First contract negotiated by the company was with **Sherritt Gordon Mines Ltd.** in 1953 to supply the nickel refinery at Fort Saskatchewan. Contract calls for the purchase of a minimum annual rate of 28 billion cu. ft. of gas over a 20-year period. Sales in 1958 totaled 3,377,454 mcf.

A 10-year contract with **Calgary Power** supplies its steam power plant at Lake Wabamun, Alta. The maximum annual rate was doubled in 1957 to 44 million cu. ft. daily. Total 1958 deliveries were 4,523,311 mcf.

A contract with **North Canadian Oils**, extending over 20 years, calls for gas to be delivered to Lake Wabamun. From this point, it is transported through North Canadian's pipeline to **Northern Pulp & Power Ltd.** at Hinton, Alta. Actual sales in 1958 were 2,859,517 mcf.

Company also sells gas to two utility companies and a hardboard manufacturing plant. The **C. Huebert Ltd.** hardboard mill at Wabamun started taking gas in 1958.

Net profit for the nine months ended Sept. 30, 1959, amounted to $341,859, compared with $96,022 for the same period a year earlier. While profit is before taxes, company is not expected to be in a taxable position for some time.

NONG

Northern Ontario Natural Gas Co., and its affiliate **Twin City Gas Co.** distribute natural gas through a 1,100-mile franchised area stretching from Kenora near the Manitoba border to Orillia, 80 miles north of Toronto.

The company is selling natural gas purchased from **Trans-Canada Pipe Lines** under long term contract. Maximum day sendout of 100 million cu. ft. was exceeded in November, 1959.

Load build-up has taken place in the entire market area. Company reports that in northern communities fuel price to consumers is lower than the prevailing rates elsewhere in Ontario.

Contracts have been signed with 11 pulp and paper mills and five other major industrial consumers, including **International Nickel Co.** These customers take up to 80 million cu. ft. of gas daily. Contracts have been signed for service late in 1959 or early 1960 for an additional 10 million cu. ft. per day.

In the commercial market area, over 40% of the available market has been placed under contract. Secondary, industrial and commercial customers are currently using up to 11 million cu. ft. of gas per day.

Construction of the distribution system in 32 communities by the two companies was completed by the fall of 1958, as gas became available from Trans-Canada pipeline. Capital expenditures for mains and services reached $3.5 million in 1959. This included construction of an 11 mi. lateral to an asbestos mine. Another $3.5 million in capital expenditures is scheduled for next year.

Although the company will not be in full operation until January, 1960, it should start to show a profit with the start of this year's heating season, President Ralph K. Farris reported.

Outstanding capitalization at Dec. 31, 1958, consisted of 1,279,400 npv common shares.

Funded debt consisted of $12 million first mortgage and collateral trust bonds, due 1978, of which $6.9 million is 6% series payable in Canadian funds and $5.1 million 5½% series payable in U. S. funds. Also outstanding is $8 million 5¾% subordinated debentures, due 1982.

TRIAD OIL CO. LTD.

TRIAD

Head Office Calgary, Alberta

Northland Util.

Northland Utilities Ltd., Edmonton, transmits and distributes natural gas and/or electricity in Northern Alberta, including the Peace River area and electricity to Hay River, N.W.T.

Company's major 1959 project has been the construction of transmission and distribution lines to serve the town of Jasper with natural gas. A natural gas system for High Prairie is also under way.

A wholly-owned subsidiary, **Northland Utilities (B.C.) Ltd.**, distributes natural gas at Dawson Creek and Pouce Coupe, B.C. In 1958, electricity system at Valemount, B.C., was acquired.

For the six months ended June 30, 1959, electricity sales totaled 17,171,211 kwh (13,651,918 kwh for the corresponding period in 1958) and gas sales were 1,575,069 mcf (1,394,319 mcf). For all of 1958, electricity sales were 26,870,118 kwh and gas sales, 2,248,132 mcf.

Operating revenue totaled $1,639,618 for first-half 1959. This included $831,823 from electricity and $794,928 from sale of gas.

Net profit for first six months of 1959 amounted to $248,066 or 85c per common share, compared with $222,666 or 76c per common share in January-June 1958.

Prairie Gas

Prairie Gas Ltd., Regina, incorporated as a private company in 1957, sells and distributes propane gas and appliances in the Regina area.

In April, 1959, the company was converted to a public company and refinanced.

Company-owned-and-operated plants are located in Regina, Yorkton, Tisdale, Saskatoon, Weyburn and Estevan. Dealer-operated plants are at Harris, Outlook, Assiniboia, Rockglen, Oxbow and Maryfield.

In addition to its own distributing facilities, the company has a contract with **Prairie Gas (Swift Current) Ltd.** to supply its propane requirements for the next 10 years.

All outstanding stock of **Prairie Gas (Saskatoon) Ltd.** was purchased by the company in June, 1959. The two operations were then merged.

Propane is supplied to the company by contracts with **Anchor Petroleum Co., British American Oil Co.** and **Regina Co-operative Refinery.** Additional requirements to satisfy expansion plans are assured through Anchor Petroleum.

Net profit for the year ended July 31, 1959, at $30,176 was 28.7% higher than previous year's $23,439.

Fixed assets increased $140,000 to $207,000 at July 31, 1959. The addition of plants, vehicles and buildings will enable the company to handle additional business in the 1959-60 fiscal year.

Quebec Nat.

Quebec Natural Gas Corp. was formed in 1955 to operate a gas utility on the island of Montreal and in mainland municipalities within 15 miles.

The company acquired the gas distribution system of **Quebec Hydro-Electric Commission** for $39.1 million. Natural gas progressively replaced manufactured gas commencing January, 1958, and was essentially in full use by June, 1958.

A pipeline has been built across the St. Lawrence River along the Jacques Cartier Bridge to serve south shore communities between Candiac and Contrecoeur, Quebec. It will be linked with the main 34-mile trans-island line built in 1957 to connect with the terminus of **Trans-Canada Pipe Lines** at Senneville, Que.

In the year commencing July 1, 1960, company expects to spend an additional $12.3 million on its capital expansion program. Thereafter, between $9 million and $10 million a year will be spent on distribution facilities to serve new customers, distribution system replacements and renewals.

Company's main contract with Trans-Canada Pipe

(Continued on page 76)

EXTREME HIGH AND LOW TEMPERATURES

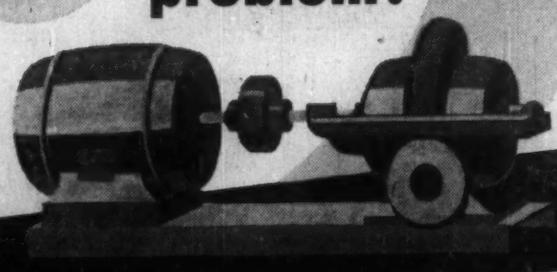
HIGH RATE OF FLOW

CORROSIVE LIQUIDS

What is your pumping problem?

SOLID CONTENT

HIGH VISCOSITY



SMART TURNER makes the pump to solve it!

EXTREME PRESSURE

ACCURACY

VERY HIGH TEMPERATURE

When you have a problem requiring a special pump you will find the answer in the range of Smart Turner pumps. The Smart Turner range of steam, power and centrifugal pumps includes models to deliver practically any fluid that can be pumped at your required pressures and rates of flow.

Smart Turner pumps are precision built from the highest grade materials to ensure long-lasting satisfaction and trouble-free service.

Write now for full details on the answer to your pumping problems.

COAST-TO-COAST SALES & SERVICE

QUALITY BUILT BY CRAFTSMEN

SMART TURNER MACHINE CO. LTD. HAMILTON, CANADA

INDUSTRIAL PUMPS FOR EVERY PURPOSE

SALES REPRESENTATIVES:

WM. STAIRS, SON & MORROW, LTD., Halifax, Sydney.
ROSS & GREIG DIVISION OF UPTON BRADEEN & JAMES LTD., Montreal.
UPTON BRADEEN & JAMES LTD., Toronto, Windsor, Ottawa.
MUMFORD-MEDLAND LTD., Winnipeg, Saskatoon, Regina.
GORMAN'S LIMITED, Edmonton, Drumheller, Calgary.
B.C. EQUIPMENT CO. LTD., Vancouver.

CONSULT MARWELL ON THE BIG PROJECTS

Consider the advantages of dealing with Marwell Construction on the really big projects:

- One contractor for *all* phases of construction from blueprint to delivery;
- An integrated operation skilled in all departments;
- Proven performance in many of Canada's greatest projects.

For instance, in the field of petro-chemicals, the name of Marwell is associated with some of Canada's largest developments — Trans Canada Pipe Line, Westcoast Transmission Company, Trans Mountain Oil Pipe Line, Pacific Petroleums, Standard of B.C. We ask you to examine Marwell's record before deciding on the big jobs in Canada, Northwest Territories, the Yukon or Alaska.

MARWELL CONSTRUCTION COMPANY LIMITED

1500 WEST GEORGIA STREET • VANCOUVER 5, B.C., CANADA

Gas Companies

(CONTINUED FROM P. 75)

Lines continues for a primary term of 20 years with supply increasing to 112,000 mcf during the fifth year.

New business obtained since June 1, 1959 will represent additional revenues of $5 million, Vice-President Leonard Milano reported. Included are firm orders for 13,400 additional major appliances which will produce annual consumption of 720 million cu. ft. For the year ended June 30, 1959, operating revenues totaled $14.7 million of which 64% was derived from natural gas sales.

Net loss of $4,812,575 was sustained for the year ended June 30, 1959. Operating expenses were 11% higher than a year earlier, but below budget estimates.

Number of gas customers at June 30 totaled 237,569 including 1,124 industrial accounts. A sales contract has been completed to supply **Miron & Frères** with up to 15 million cu. ft. of gas daily.

Independent forecasters estimate a profit of $1,692,248 in 1960-61, $3,835,416 the following year and $6,335,943 in the year ended June 30, 1963.

A new issue of $15 million 6% cumulative preferred shares, $100 par, was offered to the public in September, 1959. Dividends accrue from Sept. 1, 1962. Shares were offered as part of a unit consisting of one preferred share, one common share, and a warrant to purchase two additional common shares over six years at $18 per share. Price of a unit was $101. The common shares forming part of the units will not be issued separately earlier than Sept. 1, 1960.

Outstanding capitalization as shown on the pro forma balance sheet at June 30, 1959, consisted of 150,000 6% preferred shares, $100 par, and 1,514,000 common shares, $1 par.

Funded debt totaled $48.4 million.

A subsidiary company is **La Verendrye Line Ltd.**, formed to take over from Quebec-Hydro assets of **Keystone Transports Ltd.**, principally nine Great Lakes bulk cargo vessels used to carry coal from Montreal Coke from Lake Erie ports to Montreal.

St. Maurice

St. Maurice Gas Inc., through a subsidiary, **City Gas & Electric Corp.**, distributes propane gas in Three Rivers, Que. Company also engages in natural gas explorations in the St. Lawrence lowlands.

City Gas holds a 10-year renewable franchise from Three Rivers. Gas is distributed to customers through a 22.5-mile pipeline in the city and in cylinders in rural areas.

Wholly owned subsidiaries, **Quebec Ammonia & Gas Exploration Ltd.** and **Inter-City Propane Inc.**, hold a 50% undivided interest in 180,000 acres of petroleum and natural gas lands in the Three Rivers, Cap-de-la-Madeleine and Louiseville areas on the north shore of the St. Lawrence and near Sorel on the south shore.

Cartier Gas Corp., in which the company owns a one-third interest and **Consumers' Gas Co.** owns two-thirds interest, proposes to build a pipeline to serve Quebec's Eastern Townships. To link up with the **Trans-Canada Pipe Line**, facilities from Vaudreuil to Quebec City are estimated to cost $30 million. It is contemplated that this will be raised through public financing.

Franchises have been granted to the company by Magog, Granby and Waterloo. Requests for additional franchises are under discussion in 18 other communities.

Outstanding capitalization consists of 2,000,150 common shares, $1 par.

Superior Prop.

Superior Propane Ltd., Toronto, was incorporated in 1951 to take over the retail Essotane Gas Division of **Imperial Oil.**

The company sells propane gas, appliances and special equipment in Ontario and Quebec. Branches are located in southern Ontario and as far north as Huntsville and at Elliot Lake, Long Lac, Fort William and Fort Frances. In Quebec, company has branches in Cap St. Martin, Lachine, St. Agathe, Joliette and Thetford Mines.

NEWEST CLUE in search for oil—500-million-year-old plant pollen, imbedded in rock is being examined by oil geologist.

In November, 1959, **Metro Gas Ltd.** of Ste. Anne de Bellevue, Que., serving Montreal and district, was acquired. Purchase included bulk storage tanks and bulk and cylinder delivery trucks.

A wholly-owned subsidiary, **Northern Superior Propane Ltd.**, was acquired in 1955 as an initial step toward development in northern Ontario.

Number of customers at July 31, 1959, was 53,500 compared with 47,221 eight months earlier.

For the 1959 fiscal year ended Nov. 30, net profit per share should be between 90c and $1. For the fiscal year ended Nov. 30, 1958, earnings per share amounted to 74c.

Company expects that the demand for its product will continue to increase despite the expansion of use of natural gas. Population in suburban regions is consistently growing as are commercial and farm uses.

Outstanding capitalization at Nov. 30, 1958, consisted of one million $1.40 preferred shares, $50 par, and 369,240 npv common shares. A total of 60,000 common shares are reserved for the exercise of stock purchase warrants.

An extra dividend of 10c per share was paid Sept. 15, 1959. Regular quarterly dividends of 10c per share have been paid since Dec. 15, 1958.

Also outstanding is $1,765,000 4% sinking fund debentures, due 1975, and $880,000 5¾% sinking fund debentures, due 1978.

Steelman Gas

Steelman Gas Ltd., incorporated in 1957, gathers and processes casinghead gas in the Steelman field in southeastern Saskatchewan.

A gas conversion plant, opened in October, 1958, separates propane, butanes, natural gasoline and sulphur from the casinghead gas leaving a dry residue which is sold to **Saskatchewan Power Corp.** Plant has a designed throughput of 25 million cu. ft. of casinghead gas per day.

Company has 20-year purchase contracts with producing companies in the field. Proven casinghead gas reserves in the field are estimated at 341.2 billion cu. ft.

The gathering system consists of 95 miles of line and five field compressor stations. The system gathers from 29 producers.

The propane produced is sold under a 12-year contract to **Anchor Petroleum Co.** Sulphur is sold under contract to **International Sulphur Co.** Contracts are held for the sale of all natural gas and butanes being produced.

Propane underground storage facilities are being installed at Melville, approximately 115 miles northeast of the Steelman plant. Two wells have been completed and ultimate capacity is 18 million gal. Plans are also being made to provide storage for butane at the same location.

Steelman Gas is controlled by **Dome Petroleum Ltd.** and **Provo Gas Producers Ltd.**

Outstanding capitalization at Sept. 30, 1958, amounted to 1.1 million common shares, $1 par.

Funded debt totaled $7,901,250. This was made up of $5,901,250 6% first mortgage bonds, due 1970, and $2 million 6% debentures, due 1973.

Twin City

Twin City Gas Co., Fort William, Ont., operates a natural gas distribution system in the Lakehead area of northwestern Ontario. Service is extended to Fort William - Port Arthur, Dryden, Red Rock, Nipigon and Geraldton, Ont.

Company is affiliated with **Northern Ontario Natural Gas Co.**

Financing arrangements for construction consist of a loan agreement with Northern Ontario providing for up to $3 million and further amounts as may be required. Gas supply comes from Northern Ontario under a purchase agreement.

(See also separate coverage on Northern Ontario Natural Gas Co.)

Union Gas

Union Gas Co. of Canada, Chatham, Ont., directly and through subsidiaries, is engaged in the production, transmission and distribution of natural gas in southwestern Ontario.

The company now supplies some 208,000 customers in an area extending from Windsor to Dunnville and from Lake Erie to Owen Sound.

Ontario Natural Gas Storage & Pipelines Ltd., a wholly owned subsidiary handles storage, purchase and transmission facilities. Union's gas purchase agreement with **Trans - Canada Pipe Lines** is assigned to this company, natural gas is sold to the Public Utilities Commission of the City of Kitchener. Ontario Natural Gas also stores gas for **Consumers' Gas Co.**

United Fuel Investments Ltd., a holding company in which Union Gas owns 99% of the common stock, through subsidiaries, serves Hamilton and surrounding areas with natural gas. It owns **United Gas Ltd.** and **United Suburban Gas Co. Ltd.**

Hamilton By Product Coke Ovens Ltd., a former wholly owned subsidiary, was acquired by **Steel Co. of Canada** at the end of September, 1959. Purchase price of all outstanding stock was not disclosed.

At the end of March, 1959, the company had 1,407 active or potential producing gas wells in southwestern Ontario. Nearly 1,100 of these were acquired from **Dominion Natural Gas Co.** in 1958. Company's exploration program has been reduced in recent years as ample gas supplies are available from Western Canada and U. S.

Policy of the company remains that it will purchase all locally produced gas economically available to its transmission lines. In the past fiscal year, 11.8 billion cu. ft. of local gas was purchased.

At the end of 1958, company purchased from **Consumers' Gas Co.** the transmission and distribution system supplying Owen Sound, Meaford and Thornbury.

The transmission and distribution facilities of **Norotta Gas Co.** were purchased in August, 1959. This extended the company's service to Norwich, Otterville, Rock Mills and Springford and the townships of North and South Norwich.

Construction program for 1959-60 fiscal year, to be financed from working capital, will total about $12 million. It will consist mainly of constructing new services in existing markets.

Company plans to start construction in 1960 of a transmission line between Waterloo and Owen Sound, to be completed in stages over a three-to-four year period.

Total revenue for the 12 months ended Sept. 30, 1959, totaled $30,004,000, up $9,860,000 from the same 12-month period the year before. Net profit for the 12 months ended Sept. 30, 1959, amounted to $2,786,000 or 52c per common share compared with $2,008,000 or 45c per common share for the 12-month period ended Sept. 30, 1958.

Consolidated net profit for the 1958-59 fiscal year ended March 31 amounted to $2,770,520 or 61c per share, an increase of 8.2% over the previous fiscal year.

In February, 1959, 170,000 5½% cumulative redeemable preference shares, $50 par, were sold to the public at par.

Other outstanding capitalization consisted of 4,413,750 npv common shares. The common stock was split five-for-one in June, 1958.

Funded debt at March 31, 1959, totaled $54.7 million. It consisted of $17,950,000 first mortgage and collateral trust bonds, and $16,750,000 debentures of the company and $54.7 million first mortgage bonds of Ontario Natural Gas Storage.

United Fuel

United Fuel Investments Ltd., Hamilton, Ontario, is a holding company, which through subsidiaries, distributes natural gas in the Hamilton area.

Company's operating subsidiary, **United Gas Ltd.**, is engaged in the purchase, distribution and sale of natural gas in Hamilton, Oakville, Burlington, Georgetown and other communities adjacent to Hamilton. United Gas acquired the assets of its subsidiary, **United Suburban Gas Co.** in April, 1959. United Suburban's charter is being surrendered.

Former wholly-owned subsidiary, **Hamilton By-Product Coke Ovens Ltd.** was acquired by **Steel Co. of Canada** at the end of September, 1959.

A total of 44,690 customers was being served at March 31, 1959, an increase of 2,779 during the year. Volume of gas sales amounted to 4,267,212 mcf, of which 53.3% was sold to residential customers and 33.7% to industrial customers.

Since the program of conversion to natural gas commenced, the company has spent approximately $7.5 million on capital expenditures. For the 1959-60 fiscal year, another $3 million in capital improvements is planned.

Consolidated net profit for the fiscal year ended March 31, 1959, at $137,376 was 67% lower than previous year's $415,829. Decline was attributed to completion of conversion of its distribution system from manufactured to natural gas. Expenses increased 13.2% over the year before.

Earnings on the Class A shares amounted to $1.53 per share ($4.62 for year ended March 31, 1958). On the Class B and common stock, loss per share equaled 83c against earnings of 91c for the previous year.

Outstanding capitalization at March 31, 1959, consisted of 90,000 shares of Class A 6% preferred stock, $50 par; 69,689 shares of Class B, non-cumulative preference stock, $25 par, and 90,000 npv common shares. Class B shares participate pro rata with common in any payments of dividends over and above distribution made on Class A shares.

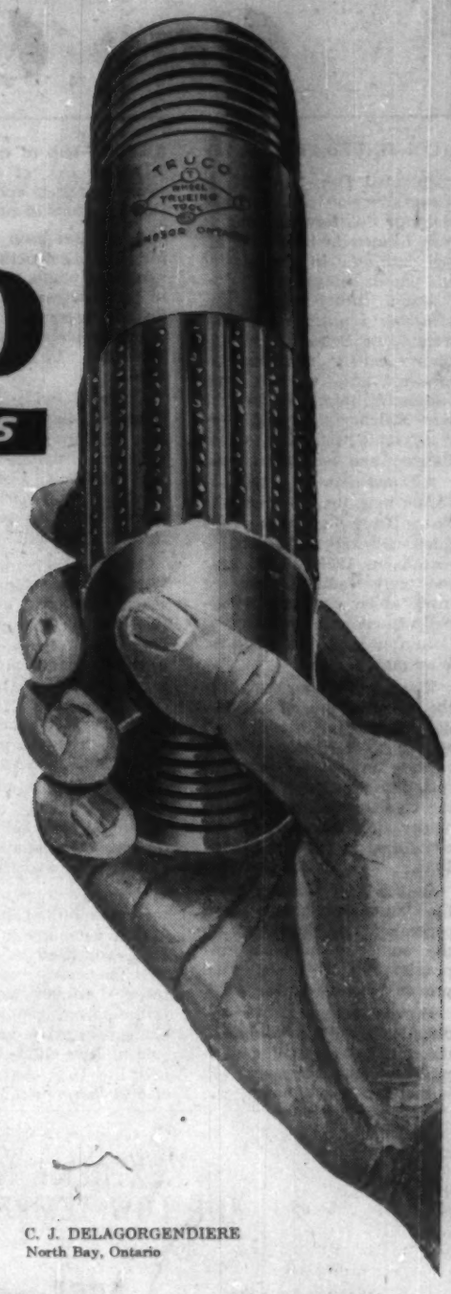
Dividends of $1 per share per year are being paid on Class B and common stock, and $3 per share on Class A shares.

Union Gas Co. owns 89,892 shares of the company's common stock.

Funded debt at March 31, 1959, totaled $6.5 million 5¼% first mortgage sinking fund bonds, due 1977, of United Gas Co.

TRUCO

RIB-TYPE REAMING SHELLS



For lowest cost per foot operation

When drilling in hard or broken formations, Truco Rib-Type Shells guarantee you low cost reaming every time. They are manufactured with a hardened steel bottom to insure resistance to abrasion, and are set in a rib-type pattern to guarantee sufficient water clearance. The possibility of mudding or binding in the hole is eliminated and low cost recovery in any formation is guaranteed.

The wear-resisting and diamond-gripping properties of the Truco patented matrix and the excellent quality of the diamonds themselves insure durability, economy and satisfaction from the use of Truco Reaming Shells.

Wheel Trueing Tool Company of Canada, Limited also offer Strip-Type Shells and Tapered Reamers, specially designed and built for the jobs they are to do.

Write today for the free catalogue on the complete line of money-saving "Truco Diamond Drill Bits".

TRUCO . . . a good name to know for low cost drilling.

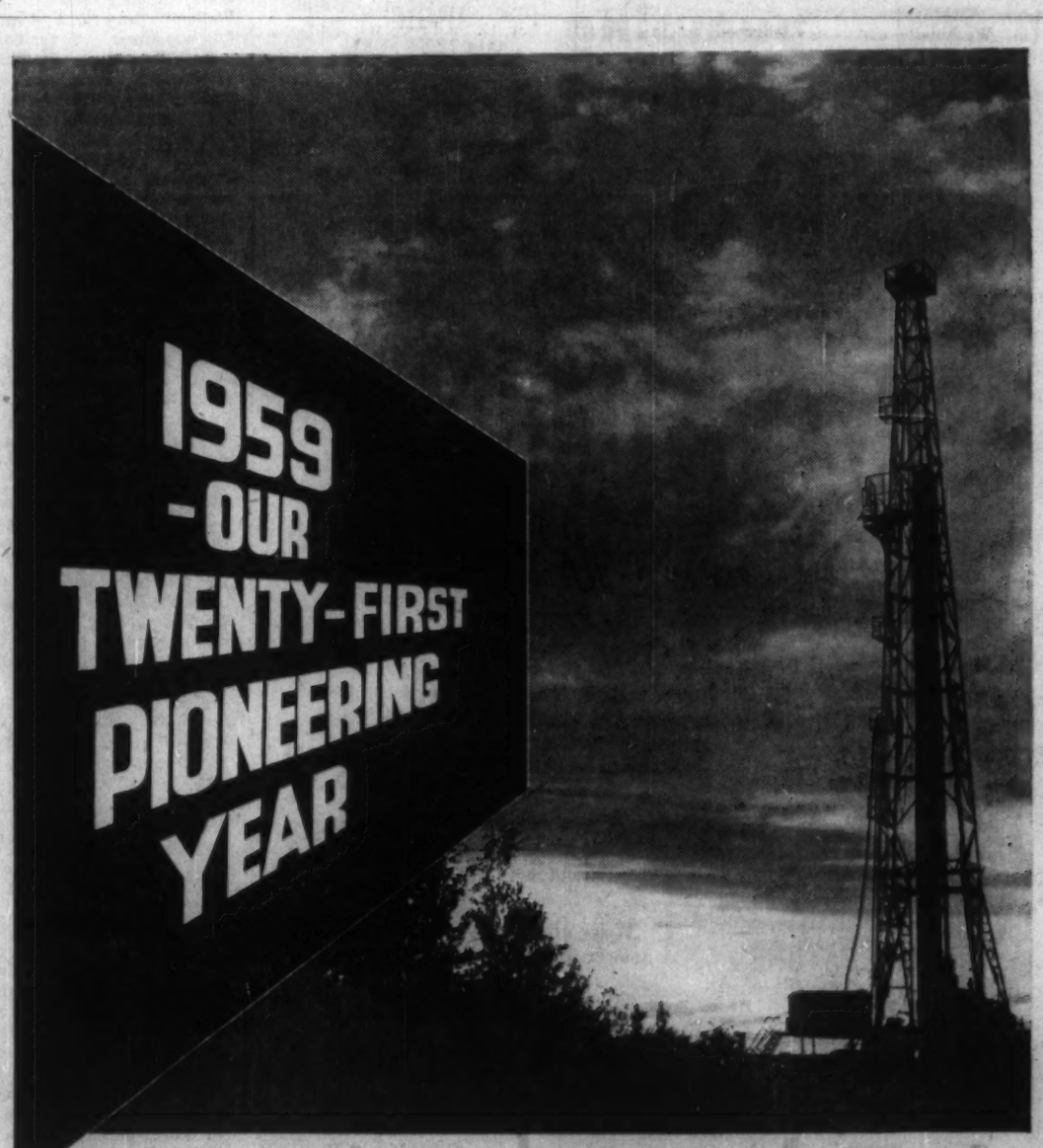
•DISTRIBUTORS:

A. M. GARDINER
Kirkland Lake, Ontario

C. J. DELAGORGENDIERE
North Bay, Ontario

WHEEL TRUEING TOOL COMPANY OF CANADA, LIMITED

575 L'ANGLOIS AVENUE, WINDSOR, ONTARIO



Since January, 1939, Pacific Petroleums Ltd. has been a major force in the petroleum progress of Western Canada. Now in its twenty-first year as a leading Canadian independent, Pacific continues to pioneer the development of new oil and gas resources.

PACIFIC
PETROLEUMS LTD.

PACIFIC BUILDING CALGARY ALBERTA

Pipelines

Trans-Canada

Oct. 10, 1958, may well go down in Canadian history as a landmark in this country's economic development.

On that day, in the Northern Ontario pulp and paper town of Kapuskasing, the final weld was made in the 2,290-mile pipeline of **Trans-Canada Pipe Lines Ltd.** and in less than two weeks natural gas started to flow from the Alberta fields to markets in Eastern Canada.

Some people have compared this event to the driving of the last spike in the Canadian Pacific Railway back in 1885.

Where the railway linked the East and West politically, they say, the pipeline joined them economically.

For the company it meant a happy ending to seven and a half years of hard work and near-frustration.

While not the biggest engineering job undertaken in Canada, it was certainly one of the most contentious.

Construction of the main line, started in June, 1956, was limited by the effects of a steel strike in the U. S. which cut down on the production of big-inch pipe. Only 210 miles of pipeline were laid during the season.

In 1957, 1,248 miles of pipeline were installed from Alberta to the Lakehead at Port Arthur, and the section of the line from Toronto to Montreal was laid in.

This latter section was connected to the Niagara link, allowing the company to start a build-up of markets in Ontario and Quebec using an interim supply of gas from **Union Gas Company of Canada.**

In 1958, 848 miles of pipeline were completed in Northern Ontario, allowing gas to flow from Alberta right through to Montreal.

Federal Power Commission hearings on Midwestern's application for permission to import 204,000 mcf of gas daily from Trans-Canada opened in Washington in February, 1956.

After thirty-two months of intermittent argument which piled up the greatest wordage ever recorded at a FPC hearing, the application was rejected on the grounds that Trans-Canada had not shown that it could supply Midwestern's requirements in addition to the Canadian market.

However, the Commission noted that it favored import of Canadian gas, and left the door open for a new application to be filed.

Hearings reopened in July, 1959, and the long-sought-for permission was finally granted at the end of October.

If decision of Canada's National Energy Board is favorable — hearings will start Jan. 5 — and comes soon enough, Trans-Canada could build the 50-mile, $32 million spur line to Emerson, Man., next summer.

On October 27, 1959, company began delivery of 45,000 mcf of gas daily to the storage facilities in southwestern Ontario of Union Gas Co. under a longterm sales-purchase contract between the two companies.

With the start of these deliveries, Trans-Canada has doubled its natural gas sales in one full year of operation.

Sales to distributor customers from Saskatchewan to Montreal are expected to reach 350,000 mcf daily by the end of this year.

Company is expected to soon seek permission to export surplus gas into the New York State pipeline system of Tennessee Gas Transmission via the existing pipeline system to Niagara Falls, Ont.

The gas load in the eastern market is expected to reach the stage in late 1961 or early 1962 when it will be to the company's advantage to purchase the $130 million Northern Ontario section of the line now owned by a Crown corporation.

Trans-Canada now has about 7,500 million mcf of natural gas under contract, about 12% more than is required to fulfill existing contracts for the Canadian and U. S. markets.

Net loss for the year ended Dec. 31, 1958, amounted to $48,343, compared with a net loss of $347,932 the year before.

Alta. Gas Trunk

Alberta Gas Trunk Line Co., Calgary, is an anomaly among Canadian pipeline companies.

The brain-child of the Alberta Government, it was created in 1954 and operates under a special provincial Act for the purpose of gathering and transporting natural gas from the various producing fields in Alberta to the borders of the province where it is delivered to the export companies.

At the same time, Alberta Trunk acts as a common carrier for the local utility companies.

It is not a Crown corporation.

It is privately owned and independently financed, although the provincial government undertook to guarantee the company's first debenture issue.

Alberta Trunk's board consists of three directors elected by the gas producers, one by the provincial utilities, one by the gas transmission companies, and two appointed by the provincial government.

Voting rights are vested in 2,002 common voting shares authorized of which 920 have been issued to the producing, transmission and utility companies and two shares to the government-appointed directors.

The company has also issued 2.7 million nonvoting common shares, of which a first issue of more than 2.5 million shares were offered early in April, 1957, to residents of Alberta only.

Another unusual feature of Alberta Trunk is that unlike other gas pipelines it does not buy gas and resell it. It simply acts as a common carrier, transporting gas for a fee.

The present transportation contract between the company and **Trans-Canada Pipe Lines Ltd.** provides for Trans-Canada paying 4c per mcf to move gas through the Alberta Trunk system. This ends Oct. 1, 1961.

The agreement provides that, after that date, Trans-Canada will pay Alberta Trunk's operating costs including depreciation and taxes together with a 7½% rate of return on the trunk line's net investment.

Construction of the company's gathering and trunk line system was planned in four stages designed to keep pace with the progress of the Trans-Canada pipeline and the step-by-step buildup of its markets in the east.

The 1959 extension consisted of 258 miles of pipeline, ranging in size from 6 to 30 in., tying into the system the following fields: Carstairs, Nevis 1 and 2, Wayne, Hussar land 2, Provost 2 and Medicine Hat 1 and 2.

Cost of this year's construction, including buildings and meter stations, was $21.5 million.

Alberta Trunk now has about 612 miles of pipeline and a total investment in the system in excess of $58 million.

In 1960, stage four expansion will consist of 102 miles of varying diameter pipeline costing an estimated $10 million and tying in the Westerose South, Hemeglen-Rimbey, Gilby, Prevo and Countess-Duchess gas fields.

If the National Energy Board gives an early approval to TransCanada's plans to export 204,000 mcf of gas daily to **Midwestern Gas Transmission** at Emerson on the Manitoba-Minnesota border (already sanctioned by FPC and the Alberta government), Alberta Trunk will build additional gathering facilities in 1960.

This will consist of 90 miles of pipeline to be built at an estimated cost of $4 million. Additional gas fields tied in by the extension will be Wimborne, Wood River, Clive North, Cessford 3 and 4, Enchant and Sedalia.

With these additions, company's Plains Division, designed to supply gas to Trans-Canada, will be virtually complete. System will have an initial design capacity of 620,000 mcf per day which can be increased to 820,000 mcf per day by the addition of one compressor station.

Company has received permits from the Alberta government to construct its proposed Foothills Division, a 360-mi. pipeline from Berland River in northern Alberta south to the Crowsnest Pass on the British Columbia border.

The main pipeline and gathering laterals will supply gas for the export purposes of **Westcoast Transmission Co.** and **Alberta & Southern Gas Co.**

If the export companies receive the necessary government approvals from Washington and Ottawa in time, Alberta Trunk expects to start construction of the $108-million line early in 1960 with completion scheduled for the late fall of 1961.

Companies are seeking to export some 650,000 mcf daily to markets in California and the Pacific Northwest.

Gross revenue for the current year is estimated at $3 million.

This compares with 1958's gross revenue of $987,124, over 60% of which was earned in the last quarter of the year, when the system constructed during 1958 was put into operation.

Net profit for 1958 amounted to $236,679, or 9c per class A and B common share. In 1957 the company suffered a net loss of $56,117.

Capitalization outstanding at Dec. 31, 1958, consisted of $30 million 5¼% first mortgage sinking fund bonds, due May 1, 1981; 2.7 million class A common shares, $5 par; and 922 class B (voting) common shares, $5 par.

To finance the increased construction program for 1959 company arranged a short-term bank credit for $18.5 million.

Company also created 500,000 nonvoting preferred shares, $100 par, to permit greater flexibility in its future financing.

Alta. & Southern

Alberta & Southern Gas Co., Calgary, was formed in 1957 for the main purpose of piping natural gas from Alberta to California via a 1,300-mile pipeline.

Major sponsoring interests of the $330-million transmission system are **Pacific Gas & Electric Co.**, and **Bechtel Corp.**, both of San Francisco.

Canadian section of the company's line will consist of 108 miles of 36-in. pipe from the Crow's Nest Pass area on the Alberta-British Columbia border to Kingsgate, B.C.

It will be jointly owned by the company and **Westcoast Transmission Co.**

Gas will be gathered from Alberta fields by a 336-mile gathering and transmission system to be owned and operated by **Alberta Gas Trunk Line Co.**

Alberta & Southern has already received permission from the Alberta government to export 2,300 million mcf of gas over a 17-year period.

In October, 1959, company requested the government to raise this figure to 4,200 million mcf over a 25-year period.

In anticipation of a favorable decision, the company has filed applications with the National Energy Board for export from Canada.

Alberta & Southern has gas under contract from producers in more than 20 fields and prospect areas which it says are sufficient to look after all its market requirements.

Export of gas from Alberta by the company is covered by agreements with **Northwestern Utilities** and **Canadian Western Natural Gas**, two large provincial utilities, which provides them with "first call on any gas required for provincial needs."

Company officials claim that approval of their project will spark total expenditures in Western Canada during the first two years of the program of some $318 million.

About 2,000 new jobs for Canadians would be created in the construction phase, they say, and revenues from gas sales would bring Alberta producers an additional $41 million a year.

Inland

Inland Natural Gas Co., Vancouver, produces, transmits and distributes natural gas to interior communities of British Columbia, including the Cariboo, Okanagan and West Kootenay areas.

Company's marketing area extends from Chetwynd, about 200 miles north of Prince George, to Nelson in the West Kootenays, a distance of nearly 800 miles. Major industries served by Inland are logging, mining, smelting, agricultural and canning operations, as well as a growing tourist business.

Through wholly - owned subsidiaries, three natural gas transmission lines are owned, and interests are held in 21 gas wells, two oil wells and acreage in northeastern British Columbia and the South Pouce Coupé area in Alberta.

Company increased its number of residential, commercial and industrial customers from 7,324 to 10,613 during fiscal 1958, ending June 30, 1959.

Plants of **Consolidated Mining & Smelting Co.** converted to natural gas, went on stream early 1959.

Wholly - owned subsidiary **Canadian Northern Oil & Gas Ltd.**, sold 4 billion cu. ft. of gas to **Westcoast Transmission Co.**, and 440 million cu. ft. to **Peace River Transmission Co.** from its share of reserves in Alberta.

Thirteen wells were drilled at a new field, Jedney-Bubbles, in which Canadian Northern has a 3.75% interest. The field is expected to be producing before the end of this year.

Effective Jan. 1, 1960, Westcoast Transmission will increase price of gas purchased by approximately 3c per 1,000 cu. ft. This should improve returns of Canadian Northern and **St. John Gas & Oil Co.**, another Inland subsidiary.

Total sales of gas by **Peach River Transmission Co.** increased 18% to 1.3 billion cu. ft. **Grande Prairie Transmission Co.** sales of gas during fiscal 1958 fell to 603 million cu. ft. Both are Inland subsidiaries.

Consolidated net profit for the first full operating year ended June 30, 1959, amounted to $147,271, as compared with $53,877 for the previous fiscal year.

Sales increased sharply during the first quarter of fiscal 1959, ended Sept. 30, as compared to similar period last year. Revenues from natural gas sales were 5.79% higher, according to President J. A. McMahon.

Capitalization outstanding at June 30, 1959, consisted of 250,000 5% cumulative preferred shares, $20 par, and 2,341,300 common shares, $1 par value. Funded debt consisted of $15 million 6% first mortgage bonds, series A, due June 1, 1982 and $7,170,500 5½% convertible debentures, series A, due Feb. 15, 1977.

Interprovincial

Interprovincial Pipe Line Co. operates the longest crude oil pipeline in the world as a common carrier. Line extends 1,930 miles from Redwater and Edmonton, Alta., to Port Credit, just west of Toronto. It transports western Canadian crude oil from fields in Alberta, Saskatchewan and Manitoba to markets in Saskatchewan, Manitoba, Minnesota, Wisconsin, Michigan and Ontario.

Company's storage tanks maintained at various points on the line have an approximate capacity of 7.5 million bbl.

Crude oil deliveries in 1958 were 109.5 million bbl., an increase of 9.6% over 99.9 million bbl. in 1957. Deliveries during the first 10 months of this year amounted to 335,825 bbl. per day, compared with 294,027 b/d during 1958's similar period. The increase in excess of 11% is mainly due to largely increased deliveries to Ontario.

During 1958 company completed a second loop of 24 and 26 inch pipe between Edmonton and Superior, Wisconsin.

Company spent $11.2 million in 1958 on line extension and plant expansion. It expects to spend about $3.7 million during the current year.

With the completion of the 1958 construction program, company has ten pumping stations, mostly operated by remote control, and an increased capacity of some 2 million bbl. of crude per day.

Lakehead Pipe Line Co., a subsidiary, owns and operates the portion of the pipeline lying within the U. S., and the terminal facilities, etc., connected with the system.

Net profit for the first half of 1959 was up 43.5% over similar period last year, to $8,046,292 or $1.59 per share.

Consolidated net profit of $12,687,749 for 1958 was 32.9% higher than 1957's $9,544,661. Earnings per share amounted to $2.51 ($1.89 in 1957).

Company paid $1.80 dividend per share in 1958, compared with $1.40 in 1957. Quarterly dividend payment of 55c to shareholders of record on Nov. 61, 1959, was announced recently. This brings dividend paid and announced for 1959 to $2. Special dividend

(Continued on page 78)

ST. MAURICE GAS INC.

(No personal liability)

AND SUBSIDIARIES

QUEBEC AMMONIA & GAS EXPLORATION LIMITED
CITY GAS AND ELECTRIC CORPORATION LIMITED
INTER-CITY PROPANE INC.,

serves

The TROIS RIVIERES area

with

PROPANE GAS

and also holds

NATURAL GAS EXPLORATION PERMITS

on North and South Shores of St. Lawrence River
and
jointly with its affiliated company

CARTIER GAS CORPORATION

holds

NATURAL GAS DISTRIBUTION FRANCHISES

from a number of municipalities on the South Shore of the St. Lawrence River, and the City of Trois Rivieres, Quebec, on the North Shore.

SUITE 700
455 CRAIG STREET W.
MONTREAL, QUE.

FUTURE UNLIMITED!

Location is more than half the battle when you supply to Canada's Oil and Gas Industry! Suppliers who locate in Calgary are in a position to make fast contact with top management . . . deliver rush orders in a hurry. This constantly expanding Canadian petroleum nerve-centre has planned industrial sites ready for occupation, sites served by rail lead and roadway, and fully serviced with utilities at rates amongst the lowest in North America. For "on the spot" location with unlimited growth potential . . . look to Calgary!

Get up and grow with

CALGARY

For complete information write . . .
K. S. Ford, Coordinator of Industrial Development,
Dept. COGI 11-59,
City Hall, Calgary, Alberta

-between the raw and the finish...

B & W

PROVIDES THE STEAM FOR PROCESSING

STEAM is used extensively in processing and for power in all refineries. B & W is proud to be a major contributor to advancement in the oil industry by supplying Boiler Equipment to many of the Canadian oil refineries.

BABCOCK STEAM FOR PROCESS • STEAM FOR POWER

BABCOCK-WILCOX AND GOLDIE-McCULLOCH LIMITED, GALT, ONTARIO MONTREAL • OTTAWA • TORONTO • CALGARY • VANCOUVER

Pipelines

(CONTINUED FROM P. 77)

of 25c per share, paid Dec. 4, 1959, was the result of a favorable decision handed down by the Supreme Court of Canada in company's long-standing tax suit.

Peace River Oil

Peace River Oil Pipeline operates a crude oil pipeline connecting the Sturgeon Lake producing area to the **Trans Mountain** trunk line.

The system comprises 107 miles of trunk line of 12-in. and 16-in. size with its terminus at Bickerdike, Alta.

Peace River is now seeking permission from the Alberta government for a 130-mile extension of its line into Edmonton. Applications were also filed for an extension to the Boundary Lake field in northeastern British Columbia.

Capacity of the line is 40,500 b/d, but throughput last year averaged only 10,442 b/d. Estimates for 1959 placed throughput at over 13,000 b/d.

The company was originally formed by a group of oil companies and all the stock is still held by producing oil companies.

Storage facilities at the Fox Lake receiving station for trucked oil have been increased to 5,000 bbl. The station is located where the spur serving the Kaybob field joins the main line.

Pembina

Pembina Pipe Line Ltd., Calgary, owns and operates a pipeline and gathering system for the transportation of crude oil from the Pembina, Keystone and Lobstick fields in west central Alberta to refineries at Edmonton, a distance of some 70 miles.

By the end of 1959, company will have added about 72 miles of pipeline to its system.

Including the facilities added in 1959, company's transmission system consists of 640 miles of pipe varying in size from 3 to 16 in. connecting 475 batteries and about 3,100 producing wells.

Company estimates that the system's daily throughput for the fiscal year ended Nov. 30, 1959, will average 103,000 b/d, compared with the previous year's average of 94,000 b/d.

Present capacity of the trunk line is 133,000 b/d.

Pembina Pipe serves three major refineries in Edmonton and two long-distance pipelines, **Trans Mountain** to the Pacific coast, and **Interprovincial** to eastern Canada.

In 1960, company anticipates the construction of 70 miles of additional pipeline to serve 60 new batteries required to handle the addition of about 300 new wells to be drilled in the area served.

Plans also call for the installation of automatic transfer facilities at about 55 batteries during the coming year.

During 1959, company incorporated **Foothills Pipe Lines Ltd.** to own and operate a proposed 1,400 mile, 16 in. pipeline for the transmission of liquid hydrocarbon by-products from Alberta to the Milwaukee-Chicago area.

It is estimated, company says, that in the first year of gas export by **Trans-Canada Pipe Lines Ltd., Westcoast Transmission Co.**, and **Alberta & Southern Gas Co.**, liquid hydrocarbon byproduct production will be in excess of 90,000 b/d, of which over 70,000 b/d will be surplus to Alberta requirements.

Company is also continuing research into the technical and economic aspects of the movement by pipeline of sulphur byproducts recovered from "wet" natural gas as a slurry utilizing liquid hydrocarbons as the carrying agent.

Net profit of $1,002,197 for the year ended Nov. 30, 1958, was 8.5% lower than the previous fiscal year's $1,095,079. Earnings per common share were 56c (62c in 1957).

A tariff increase of 2c bbl. was made May 1, 1958, due to lowered throughput. No tariff changes were made during the current fiscal year.

Outstanding capitalization at Nov. 30, 1958, consisted of $15,163,000 funded debt distributed among four issues of first mortgage bonds and three issues of sinking fund debentures; 40,000 cumulative redeemable 5% first preferred shares, $50 par; and 1,600,452 common shares, $1.25 par.

Producers

Producers Pipelines Ltd., Regina, Sask., owns and operates with its subsidiary, **Westspur Pipe Line Co.**, a crude oil gathering system connecting southeastern Saskatchewan oil fields with the main transmission line of **Interprovincial Pipe Line Co.** at Cromer, Man.

The combined length of the company's system is about 612 miles of pipe varying in size from 4 to 16 in., including 96 miles of gathering lines constructed in 1959.

A 25 mile, 4 in. spur line to the Parkman oil pool in the southeastern corner of Saskatchewan, completed this past summer, is included in this total.

System's throughput for the period Jan. 1 to Sept. 30, 1959, averaged 82,137 b/d, compared with an average throughput of 77,646 b/d for the same period in 1958.

During the full year 1958, oil deliveries averaged 76,889 b/d, of which 62,552 b/d were light gravity crude and 14,337 b/d were medium.

Capacity of the main trunk line is 133,000 b/d.

Producers' expansion program slated for 1960 calls for outlays of about $1 million.

Company is owned by 16 Canadian and U. S. oil companies, including **Imperial Oil, Shell Oil Co. of Canada**, and **Sun Oil Co.** Largest stock interest is held by **British American Oil Co.**, which owns 11.03% of the common shares.

Consolidated net profit for 1958 was $1,461,338, compared with a net profit of $907,129 for the ten months ended Dec. 31, 1957. (Company was incorporated Feb. 27, 1957.)

Saskatoon

Saskatoon Pipe Line Co., Regina, owns and operates a 56-mile crude oil pipeline connecting main transmission line of **Interprovincial Pipe Line Co.** with the refinery of **Royalite Hi-Way Ltd.** in Saskatoon.

Net profit for 1958 was $56,037, down 15.1% from 1957's $65,957.

Earnings per common share were 56c in 1958, compared with 66c the previous year. Dividends are being paid at the rate of 50c yearly.

Capitalization consists of 100,000 npv common shares authorized and outstanding of which **Royalite Oil Co.** owns 80%.

Trans Mountain

Trans Mountain Oil Pipe Line Co., Vancouver, owns and operates a 719-mile pipeline for transporting crude oil from a gathering terminal at Edmonton to Burnaby, B. C. A 64-mile pipeline operated by a wholly owned U. S. subsidiary extends deliveries to oil refineries in the State of Washington.

In 1956, two temporary pumping stations were installed at Gainford and Jasper, Alta., raising capacity to 185,000 b/d.

By installing permanent pumping stations at these sites and laying two 50-mile 30 in diameter loops, one east of Kamloops and the other west of Edson, and constructing a permanent pumping station at Sumas, B.C., and three other temporary stations, capacity was increased to 250,000 b/d August, 1957.

Ultimate capacity of the line may be from 300,000 to 600,000 b/d.

Storage tank farms at Edmonton, Sumas and Burnaby have a combined capacity of 3,490,000 bbl.

A marine terminal is located at Westridge on Burrard Inlet with a tanker loading capacity of 20,000 per hour.

Construction of a new dock to accommodate tankers up to 60,000 tons dead weight was undertaken early in 1958. The main structure has been completed, however, company has decided to defer installation of oil-loading facilities until prospects for off-shore shipments improve.

Capital expenditures during 1959 were planned to be held to minimum requirements and will approximate $300,000.

Location of the company's primary markets in areas open to competition from waterborne foreign oil has created serious marketing problems.

Off-shore movement of oil by tanker is governed by relative crude oil prices and by tanker rates.

In 1958, competition from waterborne crude stiffened, resulting in a substantial reduction in oil shipments to Washington refineries and a complete cessation of tanker loadings out of Vancouver. Throughput for the year declined to an average of 81,003 b/d.

Trans Mountain's marketing picture has been further complicated by a so-called voluntary quota system on crude oil imports imposed by the U. S. government in mid-1957.

Early in March, 1959, this system was replaced by mandatory quotas. In April these were revoked, as far as Canada is concerned, in response to protests from the Canadian government and oil industry.

The exemption of Canada from the U. S. oil import quota system became effective June 1.

Oil deliveries to markets both in Canada and the U. S. averaged 111,578 b/d in the third quarter of 1959, compared with an average of 90,766 b/d for this year's first half, and 73,512 b/d in the like quarter of 1958.

Throughput in the latest month, October, averaged 106,221 b/d.

Consolidated net profit for the nine months ended Sept. 30, 1959, amounted to $1,128,000 or 15c per share. For the same period last year profit was $188,000 or 2½c per share.

Deliveries during the period averaged 97,799 b/d, compared with 84,635 b/d in the first nine months of last year and 174,204 b/d in the like period of 1957.

Trans-Prairie

Trans - Prairie Pipelines Ltd., Edmonton, owns and operates two oil pipelines with a combined length of approximately 196 miles. One gathers and transports oil from the Daly and Virden-Roselea fields in southwestern Manitoba to the **Interprovincial Pipeline Co.'s** pumping station at Cromer, Man.; the other gathers oil from the Weyburn oilfield in southeastern Saskatchewan for delivery to Westspur pipeline at Midale, Sask.

The combined systems' daily throughput so far recorded in 1959 averaged 29,349 bbl., compared with an average of 33,176 bbl. for the like period in 1958. For the whole of 1958, throughput averaged 31,880 b/d, an increase of 7,600 b/d over 1957.

In anticipation of development of markets for medium gravity crude in the near future, company has increased the capacity of its line in the Weyburn field to 51,000 b/d through addition of an extra pumping station.

A tariff reduction of 4c per bbl. for the Routledge field, and an increase of 1c in the Daly field, both became effective Jan. 1, 1959. No other tariff changes have been reported in the current year.

Cost of constructing additional facilities during 1958 was $443,865. Capital expenditures in the current year are estimated at $450,000.

In 1960, company expects to spend about $300,000 for hookups to new batteries within present field boundaries.

Net profit of $498,010 for 1958 was 19.3% higher than 1957's $417,335. Earnings per common share were $2.10 ($1.76 in 1957). No dividends have been paid.

Capitalization outstanding at Dec. 31, 1958 consisted of $540,000 first mortgage sinking fund bonds, series A, due Dec. 31, 1965; $1 million 6¼% first mortgage sinking fund bonds, due Jan. 15, 1973; and 237,507 npv common shares.

Westcoast

Westcoast Transmission Co., Calgary, was Canada's first large natural gas pipeline system.

Main line runs 687 miles from near Bonanza, Alta., to the international border at Huntington, B.C. Gas sales during the year ended March 31, 1959, totaled 13.5 million mcf.

Gas sales during the year ended March 31, 1959, totaled 13.5 million mcf.

Company holds substantial assets of **Peace River Natural Gas Co.**, wholly owns **Westcoast Transmission Co. (Alberta)**, and has a 50% interest in **Alberta Natural Gas Co.**

The latter was formed jointly by Westcoast and **Alberta & Southern Gas Co.**

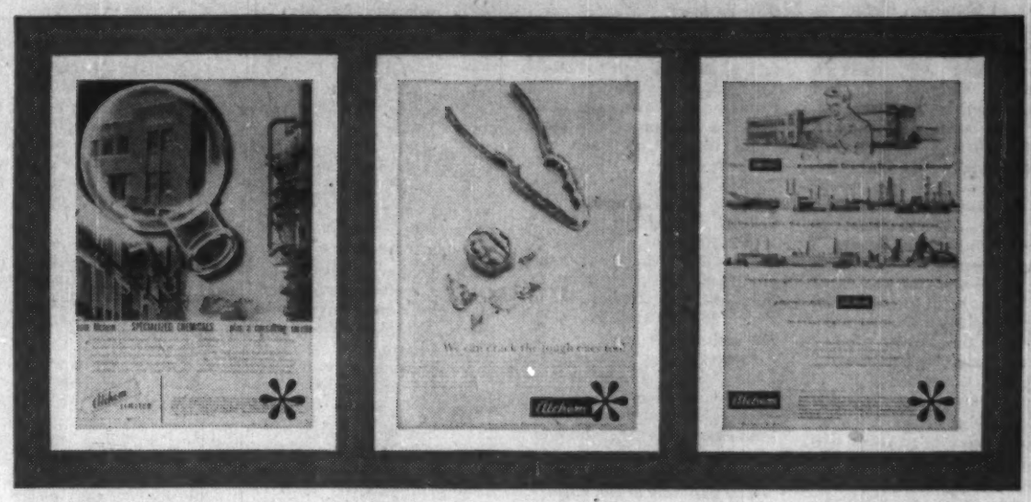
(Continued on page 79)

INVESTIGATIONS, STUDIES, EVALUATIONS
and APPRAISALS for EXECUTIVE GUIDANCE

Designs, Specifications and Construction Supervision for:
POWER PLANTS
HYDRAULIC STRUCTURES
WATER SUPPLY SYSTEMS
INDUSTRIAL DEVELOPMENTS

H.G. ACRES & COMPANY LIMITED
NIAGARA FALLS
VANCOUVER
CONSULTING ENGINEERS

It pays to read the small print*



* Water Treatment • Petroleum Inhibitors and Stabilizers • Paper Mill Process Chemicals, Slimicides, Antifoams • Combustion Chemicals Ion Exchange • Weed Control

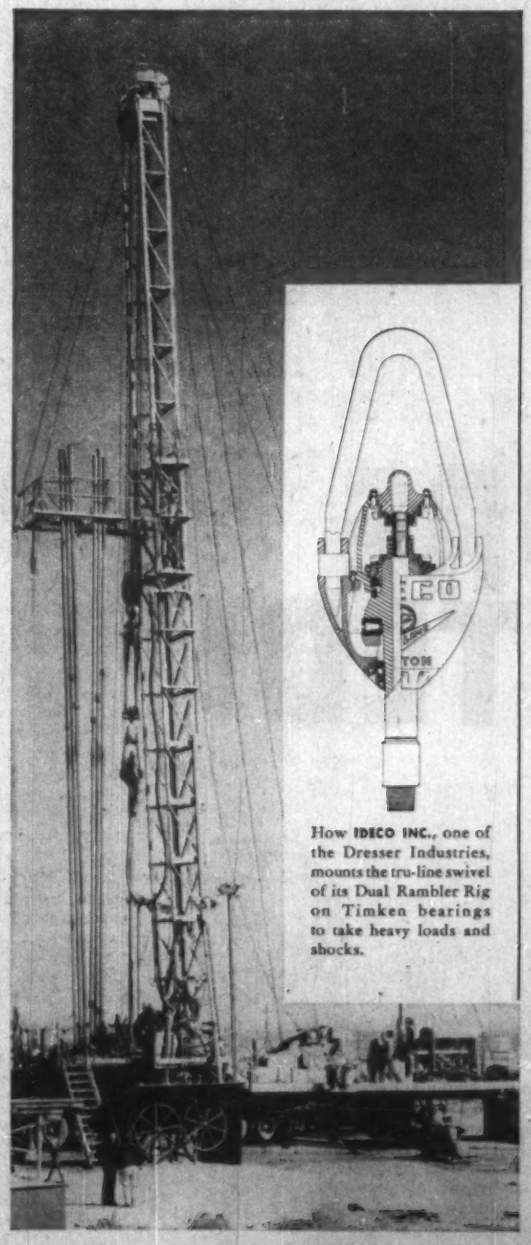
This time we're putting it in large print—because we feel it's important that you be aware of the many unique chemical engineering services available from Alchem.

Do like many leading industries throughout Canada have done. Let an Alchem representative explain how these services can help to reduce your costs, improve your product, and eliminate production problems.

Alchem LIMITED BURLINGTON, ONTARIO

Water Treatment • Petroleum Inhibitors and Stabilizers
Paper Mill Process Chemicals, Slimicides, Antifoams
Combustion Chemicals • Ion Exchange • Weed Control

Moncton • Three Rivers • Montreal • Toronto • London • Sudbury • Winnipeg • Calgary • Edmonton • Vancouver



How IDECO INC., one of the Dresser Industries, mounts the tru-line swivel of its Dual Rambler Rig on Timken bearings to take heavy loads and shocks.

SETS UP FAST... fast on the job with Timken bearings to eliminate breakdowns

IDECO'S Rambler Rigs combine the advantages of modern heavy-duty equipment with high mobility to provide faster, more economical operations. And to insure continuous, high speed operation under heavy loads and dirty operating conditions, Ideco specified Timken tapered roller bearings at four critical load-carrying points—swivel, crown block, traveling block and rotary table.

Tapered construction lets Timken bearings take radial and thrust loads in all combinations. And with full line contact between Timken bearing rollers and races you get *extra* load-carrying capacity. By keeping shafts concentric with housings, Timken bearings make closures more effective in keeping lubricant in, keeping dirt and dust out.

And Timken bearings practically eliminate friction—reduce wear on related parts, prolong life. They're geometrically designed to give *true rolling motion*, precision-made to do just that in actual daily service.

Insist on Timken bearing quality, as Ideco has done for years. When you build or buy machinery for the petroleum industry, look for the trade-mark "TIMKEN" on every bearing. It's your symbol of Better-ness. The Timken Roller Bearing Company, Canton 6, Ohio. U. S. A. **CANADIAN PLANT:** St. Thomas, Ontario. Cable address: "TIMROSCO". *Makers of Tapered Roller Bearings, Fine Alloy Steels and Removable Rock Bits.*

This symbol on a product means its bearings are the best.

WHEN YOU BUY TIMKEN BEARINGS YOU GET...
1. Quality you can take for granted
2. Service you can't get anywhere else
3. The best-known name in bearings
4. Pace setter in lower bearing costs

BETTER-NESS rolls on TIMKEN tapered roller bearings

First in bearings for 60 years

TRADE-MARK REG. IN CANADA AND U. S. PAT. OFF.

Refiners

Alaska-Yukon

Alaska-Yukon Refiners & Distributors Ltd., Vancouver, and its subsidiaries are engaged in the refining, transporting, distributing and marketing of petroleum products in Alaska, Yukon Territory and Northern British Columbia.

Because of the international character of its business, Alaska-Yukon operates through three companies: Alaska-Yukon Refiners & Distributors Ltd., **Alaska-Yukon Pipelines Ltd.**, and **Alaska-Yukon Pipelines Inc.**

Company has established marine terminals, tank storage, pipeline and trucking facilities. With **British-American Oil Co. Ltd.**, company has a marketing agreement under which it supplies B.A. products in the Alaska and Yukon area. A similar agreement is being negotiated with **Royalite Oil**.

Alaska-Yukon owns and operates at Haines Junction, Y.T., a 3,000 b/d separation plant, producing asphalt, bunker, stove oil and diesel oil.

In 1957 company disposed to **Silver City Petroleums Ltd.**, of its natural gas and petroleum leases which it held in Alberta under the name of **Shamrock Petroleum Ltd.**

Capital expenditure for the current year will total $1.1 million on plan and equipment. No new products or important changes are planned.

Sales in 1959 are 75% up over 1958, according to executive vice-president J. P. Yates.

A section of the **Canol** pipeline, leased and operated by Alaska-Yukon has been pumping products on a 24-hour-day schedule, from Haines Junction to Whitehorse.

Anglo-Amer. Ex.

Anglo American Exploration Ltd., Calgary, with its subsidiaries is engaged in exploration for and production of crude oil, and the refining and marketing of its products west of the Great Lakes.

Company owns and operates a 4,000 b/d refinery at Hartell near Calgary, and owns 764 marketing outlets, excluding some 200 commercial and industrial accounts in Ontario and the Prairie provinces.

A majority production interest is held by company and its subsidiary, **Gridoil Freehold Leases Ltd.**, in the Gull Lake North Shaunavan Pool, Sask., unitized in 1958.

Crude oil production of Anglo American and its subsidiaries during 1958 was in excess of 1,500 b/d. The group of companies operates 42 wells in Alberta and Saskatchewan and owns the equivalent of 46.9 net wells.

Land holdings total 600,000 acres of leased petroleum and natural gas rights and 1.5 million acres of mineral rights.

Net profit for 1958 was $612,648, an increase of 49.1% over 1957's $411,020. Product sales declined by 2.1% due to a drop in sales of heating fuels as a result of the increasing use of natural gas.

Company realized a $410,592 profit on the sale of its Calgary head office building.

Anglo American made a successful bid on more than 3,500 acres of petroleum and natural gas leases, and during 1959 stepped up its program of land purchases still further.

Anglo-Cdn. Oils

Anglo-Canadian Oils Ltd., Brandon, Man., owns and operates an oil refinery of 3,000 b/d capacity at Brandon, and distributes and markets its refined products through company-owned service stations and through dealers and agents in 26 communities in Manitoba and Saskatchewan.

Five new branches were opened in 1958 at Baldur, Basswood, Birtle, Deloraine and Ste. Rose, Man.

Company markets lubricating oils, greases, antifreeze and batteries under its own brand name.

The 960,000 bbl. of crude oil processed in 1958 was the highest annual throughput on record and represented approximately the full capacity of the refinery.

Capital expenditures totaling $333,479 in 1958 were directed primarily toward extension of marketing facilities and promotion.

A garage property taken over in Brandon is expected to become an important factor in company's dealer business.

Company retired the last of its funded debt during 1958.

Net profit of $393,399 for 1958 was 38.4% higher than 1957's $284,236. Earnings per share were $4.86 ($3.51 in 1957), and dividends paid amounted to 50c (50c).

British Pet.

BP Canada Ltd., an associate of **British Petroleum Co.**, formed early in 1957, is on its way to the ultimate goal of becoming a fully integrated oil company in Canada.

Company owns and operates in excess of 500 retail outlets and expects this number will be 600 by the end of 1959, increasing to 800 during 1960. Outlets are concentrated in Eastern Canada.

Scheduled for completion next spring is a $60 million, 25,000 b/d refinery, now under construction at Ville d'Anjou on the eastern end of Montreal Island.

The British Petroleum group, of which BP Canada is a part, produces, refines, transports and markets oil products throughout the world. Its principal crude oil sources are in the Middle East. Total production of the group is currently in excess of one million b/d.

Through associated and subsidiary prospecting companies, the group has interests in many parts of the world, including Great Britain, Australia, Malta, Trinidad, East and West Africa and Canada.

British Petroleum has a substantial interest in **Triad Oil Co.** of Calgary which is engaged in oil exploration of four million acres in western Canada. The work is controlled by **BP Explorations (Canada) Ltd.**

Company expects to pay out some $80 million to get its marketing operations fully

(Continued on page 80)

Pipelines

(CONTINUED FROM P. 78)

(Canadian affiliate of Pacific Gas & Electric Co. of San Francisco), for the purpose of constructing and operating a 105-mile pipeline from Crow's Nest Pass area in Alberta to Kingsgate on the B. C.-U. S. border.

In March of this year the Alberta government granted permission to export additional quantities of gas. Westcoast Transmission and Alberta & Southern Gas are now waiting for a decision by the U. S. Federal Power Commission which began hearings mid-October last.

The Canadian permits allow Westcoast to export a total of 800 million mcf of gas over the next 17 years. Company had sought the right to export 1,300 million mcf over 25 years.

A new B. C. gas area, the Jedney-Bubbles gas fields, 50 mile north and west of Fort St. John, will add considerably to Westcoast's reserves. Company is also engaged in hooking up other fields.

Current throughput of nearly 300,000 mcf per day is expected to increase to about 350,000 mcf by next January while indicated minimum requirements for the company for the 1960-61 period will be 440,000 mcf.

Management reports indicate throughput by the end of 1961 will be 660,000 mcf per day which is close to the maximum capacity of the 30-inch mainline.

"Considerably before this stage is reached, company should be showing a substantial profit," Managing Director D. P. McDonald stated. The gross operating revenue is expected to be higher this year than last, when it reached $22,067,132. Much of the increase is expected to be achieved during the second half of fiscal 1959 which is the heaviest period for gas consumption.

Earnings for the year ended March 31, 1959, were $6,982,618. Earnings for the preceding 6-months period were $1,015,004. Earnings after depreciation and amortization resulted in a net loss of $1,278,925.

Company expects to drill at least 80 wells this winter in the Fort Nelson area. Exploration by other companies will account for $40 million to be spent in northeast B. C.

The large exploration program is stimulated by the fact that recently Westcoast announced to increase payments for gas from 6¼c to 9¼c per mcf to producers.

Upon final approval by Canadian and U. S. authorities, Westcoast will take a maximum of 150,000 mcf per day through the pipeline system, and deliver it in the Pacific northwest area.

Considerably higher prices for Canadian gas sold in the U.S. are virtually guaranteed. Big U. S. buyer Paul Kayser of **El Paso Gas** and **Pacific Northwest Pipeline** has confirmed that his companies would take all the Canadian gas available — surplus to Canadian needs — and at prices considerably higher than currently paid.

N'western Util.

Northwestern Utilities, Edmonton, controlled by **International Utilities Corp.**, New York, produces, transmits and distributes natural gas to Edmonton and approximately 70 other communities in central Alberta.

Gas was being supplied to about 89,000 customers as at Sept. 30, 1959, an increase of 6,000 customers during the year.

Expenditures for 1960 on capital equipment are estimated at $2,846,000.

Contracts signed with **Alberta & Southern Gas Co.** and **Trans-Canada Pipe Lines Ltd.** are expected to ensure company's requirements for at least 30 years. Contract with Trans-Canada Pipe Lines gives the company prior rights over Trans-Canada's export requirements.

Controlled proven reserves at July 31, 1959, were estimated at 1,422 billion cu. ft. An additional one trillion cu. ft. are available but not under contract.

Revenue for 1959 is expected to amount to $14,343,200. No allowance has been made for the additional 0.2c increase in rates approved Nov. 6, 1959.

Net profit for 1958 was $2,246,351 or 10c per new common share.

All outstanding common stock is held by International Utilities Corp. There are 105,000 4% cumulative preference shares, $100 par, outstanding. Funded debt totaled $22.3 million.

A MILLION CONSUMERS CAN'T BE WRONG

NATURAL GAS IS BEST for the SEVEN BIG HOUSEHOLD SERVICES

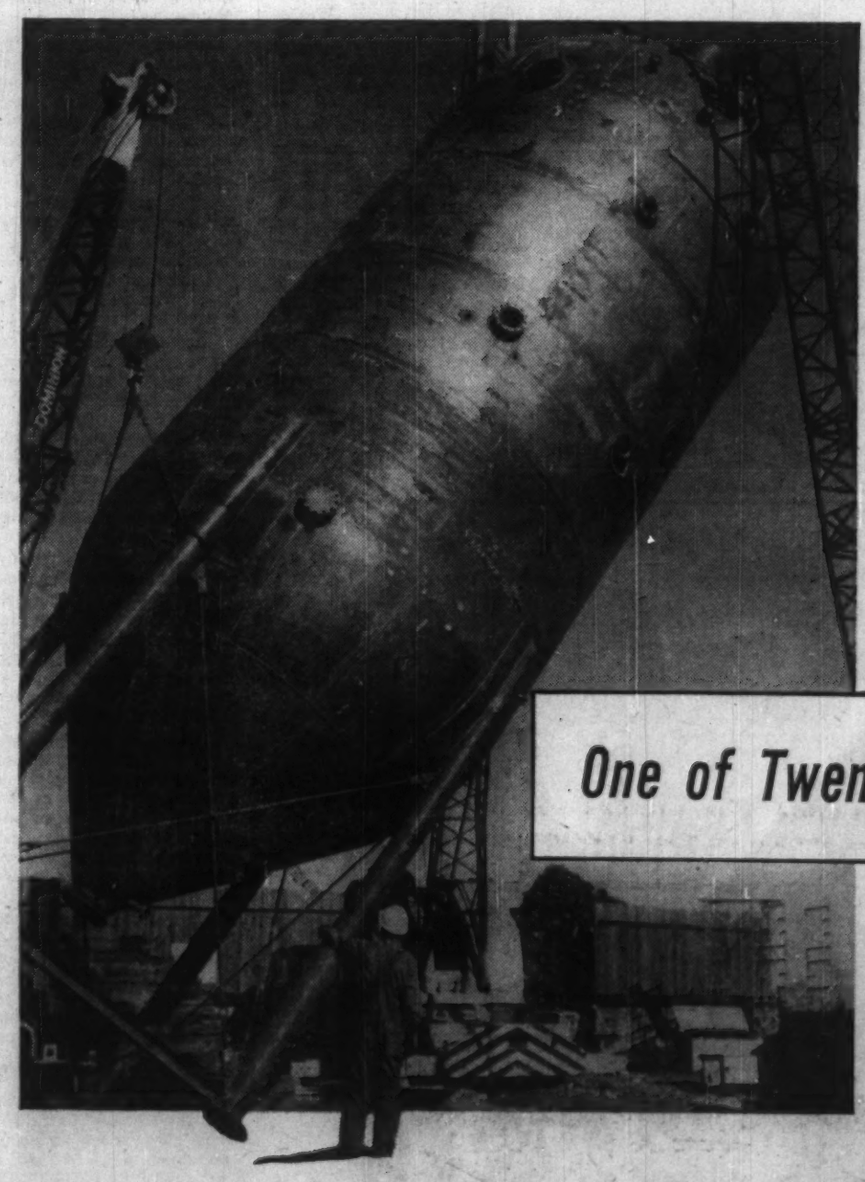
COOKING
HEATING
WATER HEATING
REFRIGERATION
AIR CONDITIONING
INCINERATION
CLOTHES DRYING

For prompt engineering assistance for all your measurement requirements, consult your CANADIAN METER representative.

AMERICAN METER CO.

CANADIAN METER COMPANY LIMITED
Head Office: Milton, Ontario
Western Division: Edmonton, Alberta
Sales offices also at Calgary, Regina, Montreal and Vancouver

CANADIAN METER COMPANY



One of Twenty-four

This 40-ton, 60,000 gallon sedimentation tank was made by Dominion Bridge for Imperial Oil's new refinery expansion in Calgary. It is 55 ft. high, 18 ft. in diameter and one of the largest vessels to be shipped assembled in Canada. Altogether Dominion Bridge fabricated twenty-four vessels for this project in our Calgary and Edmonton plants.

Dominion Bridge plants are located in the principal centres across the country and are well equipped for the fabrication of steel plate to meet the exacting needs of every major industry.

platework by
DOMINION BRIDGE
FOURTEEN PLANTS—COAST-TO-COAST

this trade mark
is now familiar in the most promising Canadian oil developments. Wherever it is seen, it stands for progressive exploration and technical skill.

Bailey Selburn
OIL & GAS LTD.

HEAD OFFICE: 901—5TH AVE. W., CALGARY, ALTA.
WINNIPEG OFFICE: 810 GRAIN EXCHANGE BUILDING

Refiners

(CONTINUED FROM P. 79)

under way. They will be built initially around the Montreal refinery which will receive crudes mostly from Middle East sources.

The 1959 sales target for BP is 5% of the market in the Quebec and Ontario area it now serves.

Guaranteed by BP Canada Ltd. and by British Petroleum Co., an issue of $17 million 5½% 20-year first mortgage sinking fund bonds of **BP Refinery Canada Ltd.** was sold early this year to institutional investors.

B. A. Oils

British American Oil Co., Toronto, is a fully integrated oil company engaged directly and through subsidiaries in the production and refining of crude petroleum and the distribution of its products.

Refineries are located at Montreal, Clarkson, (Ont.), Moose Jaw, Calgary, Edmonton and Port Moody, B.C. Their combined crude oil capacity is in excess of 160,000 b/d.

Company owns or has interests in important crude oil properties in Canada and the U. S. Its gas reserves are the largest in Canada.

Net oil reserves at the end of 1958 were in excess of 4.5 billion bbl. In western Canada, company participated in the drilling of 65 gross development wells which resulted in 56 oil wells, five gas wells and four dry holes. At the end of 1958, company owned 901 net oil and gas wells capable of producing in western Canada.

Two major wildcat discoveries were made during the year. The BA-Shell Berland River well, 160 miles northwest of Edmonton, is rated as the largest gas well in the world. Company has a 50% interest in the discovery well and the 400,000-acre block on which it was drilled.

The second wildcat, Pan American-BA Swan Hills, was one of the outstanding oil discoveries in Canada during the year.

Net production of crude oil and condensate in 1958 amounted to 11.3 million bbl., an average of 30,896 bbl. per day, compared with 13.2 million bbl. in 1957.

Company's refineries processed 38.3 million bbl. of crude oil in 1958, compared with 36.6 million bbl. in 1957. In addition, 3.4 million bbl. were processed by others for B-A's account.

Capital expenditures were $81 million in 1958, against $95 million in 1957. The Port Moody refinery and the hydrogen desulphurization unit at Moose Jaw were completed during the year.

Estimated expenditure (manufacturing only) for 1959 is $11 million. Estimated expenditure for manufacturing in 1960 will be $7 million.

Net profit of $20,517,934 for 1958 was 36.2% lower than 1957's $32,179,717. Sales increased by 3.4% from $310 million in 1957 to $321 million in 1958. Earnings per share were down to $1 from 1957's $1.74.

At the end of the third quarter of 1959, company indicated that sales and earnings had improved. Production of crude oil and condensate was up 10% over last year's first nine months.

First-half earnings for this year are estimated at $8,396,000 or 41c per share, an increase of 19.3% over the same period last year.

An offering of two million common shares at $40 per share was made in October, 1958. **Gulf Oil Corp.** took up 1,156,200 shares. Remainder was offered to the public.

Gulf Oil at last report held all of the outstanding 8,335,648 npv restricted common shares and approximately 3.5 million of the 12,118,935 outstanding npv common shares.

Cdn. Husky

Canadian Husky Oil Ltd., Calgary, through its subsidiaries, operates a fully integrated oil business, including exploration, development, production and refining of crude oil and natural gas and marketing of refined products in western Canada.

Refineries with a combined crude oil capacity of 15,500 b/d are located at Lloydminster, Alta., Moose Jaw, Sask., and Fort William, Ont. Products range from high-octane gasoline to asphalts.

In February of last year, company acquired the assets of **Liberal Petroleums.** Other wholly owned subsidiaries are **Husky Oil & Refining Ltd., Canada Western Distributors Ltd., Husky Lloyd Ltd.**, and **Bristol Bay Oil**, a Delaware incorporation which holds Husky's interests in Alaska.

An associated company, **Husky Leasebacks Ltd.**, plans to purchase and construct outlets for lease to Husky to complement Western Distributors' operations.

Company had a net loss of $1,767,548 for 1958 ($131,176 in 1957). Operating income was $16,078,741, a decrease of 15% from 1957's $18,951,120.

Net crude oil production in 1958 was 806,298 bbl., 14% less than the previous year. During the year Husky participated in the drilling of 50 wells on its lands, 35 wells were drilled under farmout agreements, and interests in 53 wells were acquired through the purchase of Liberal Petroleums. Husky sold all its drilling rigs for $1,535,000.

Company's crude oil throughput at the three refineries was 3,462,000 bbl., averaging 9,484 b/d, as compared with 11,126 b/d in 1957. Crude oil production and sales during the first six months of 1959 were both up 11% over the same period of 1958.

Company and **Canadian Superior Oil of California Ltd.** completed an operating agreement with **Amerada Petroleum Corp.** as operator for the group, and **Ohio Oil Co.**, covering almost four million acres held by Husky and Superior in the Yukon and Northwest Territories.

Under the agreement, Amerada and Ohio have reimbursed Canadian Husky and Canadian Superior for all expenditures to date and will carry out the balance of the exploration program at their expense, with both Canadian companies retaining a carried working interest.

Through additions to Husky's service stations and bulk plants, company had 161 outlets at mid-1959.

Marketing arrangements for Husky's natural gas reserves in the Dick Lake field of central Alberta have been made with **Trans-Canada Pipe Lines Ltd.** Beginning late 1960, initial volume will be 73 million cu. ft. per day, increasing to 136 million cu. ft. per day in the third year, on a take-or-pay basis.

Cdn. Oil Cos.

Canadian Oil Companies Ltd., Toronto, is a fully integrated company engaged in the production, refining and marketing of petroleum and petroleum products.

Products are sold under the trade names White Rose and En-Ar-Co through some 3,000 retail outlets. Company added 141 new outlets in 1958. Its market includes all provinces except Newfoundland and British Columbia.

Company participated in 59 development wells during 1958, of which 57 proved successful. They included 24 wells in the newly discovered Innisfail field. Crude oil production increased 3.5% to 1.2 million bbl.

Throughput at the Sarnia refinery reached a record 10 million bbl. of Canadian crude. Refinery capacity of the plant of 30,000 b/d is currently being increased by over 50%. A new $4 million refinery, scheduled for completion for Nov. 1, 1960, is being built near Red Deer, Alta. Refinery capital expenditures completed in 1959 amounted to $5 million.

Consolidated net profit for 1958 amounted to $3,250,448, compared with $4,010,511 for 1957. Earnings per share in 1958 were $40.63 on the preference and $1.10 on the common stock. Sales increased by 1.9% to $85,928,437 from $84,317,617.

For the first half of 1959, sales increased 15% over last year's corresponding period. Company reports "moderate improvement" in net earnings. Crude oil production in western Canada to June 30, 1959, rose to 717,000 bbl., an increase of 27% over first-half 1958.

Cdn. Petrofina

Canadian Petrofina Ltd., Montreal, directly or through subsidiaries, produces, refines, processes and markets petroleum and petroleum products. It has over 1,500 outlets in the Maritime Provinces, Quebec and Ontario.

Company operates a refinery with 30,000 b/d crude oil capacity at Pointe-aux-Trembles near Montreal.

Control of the company is held by **Petrofina S.A.** of Belgium, but directors are mostly Canadian and management is entirely Canadian.

Consolidated net profit for 1958 was $665,290, down from the previous year's $1,707,120.

For the first half of 1959 net profit was $642,141, compared with $49,000 in the same period of 1958, and higher than $616,290 for the second half of last year.

The recently integrated company says that it expects "further substantial improvement." It boosted its western oil output by 13% in the first half of this year. In 1958 sales of petroleum products increased 14%, but crude oil production declined 26%.

During 1958, 87 wells were drilled on properties in which company or its subsidiaries, **Western Leaseholds Ltd.** and **Calvan Consolidated Oil & Gas Co.**, hold interests. At year-end company held, net, 191 oil wells and 29 gas wells capable of production. Drilling activity resulted in completion of five oil and two gas wells during the first half of 1959.

Company, through subsidiaries, made a major gas strike at Wildcat Hills, 60 mi. northwest of Calgary. It also participated in an important natural gas discovery in the Jenner area in northern Alberta.

Crude oil production in 1958, before royalty, amounted to 2.4 million bbl., equivalent to 6,600 b/d. The 26% decrease was due to reduced production allowables in Alberta.

Company's refinery at Pointe-aux-Trembles processed over 7.7 million bbl. of crude last year, 18% more than in 1957. Construction raised throughput from 20,000 bbl. to 30,000 bbl. per day. About $1 million was spent in 1958 and early 1959 on modernization of the refinery.

Production of aviation turbo fuel was started this year.

The Portland - Montreal pipeline in which company holds an interest delivered crude to refineries in Montreal at an average rate of 215,197 b/d in 1958, operating at 85% of capacity.

During the year there was a 500,000 reduction in acreage held by company and its subsidiaries, due mainly to conversion of permits and reservations into leases. At year-end company held varying interests in nearly five million acres.

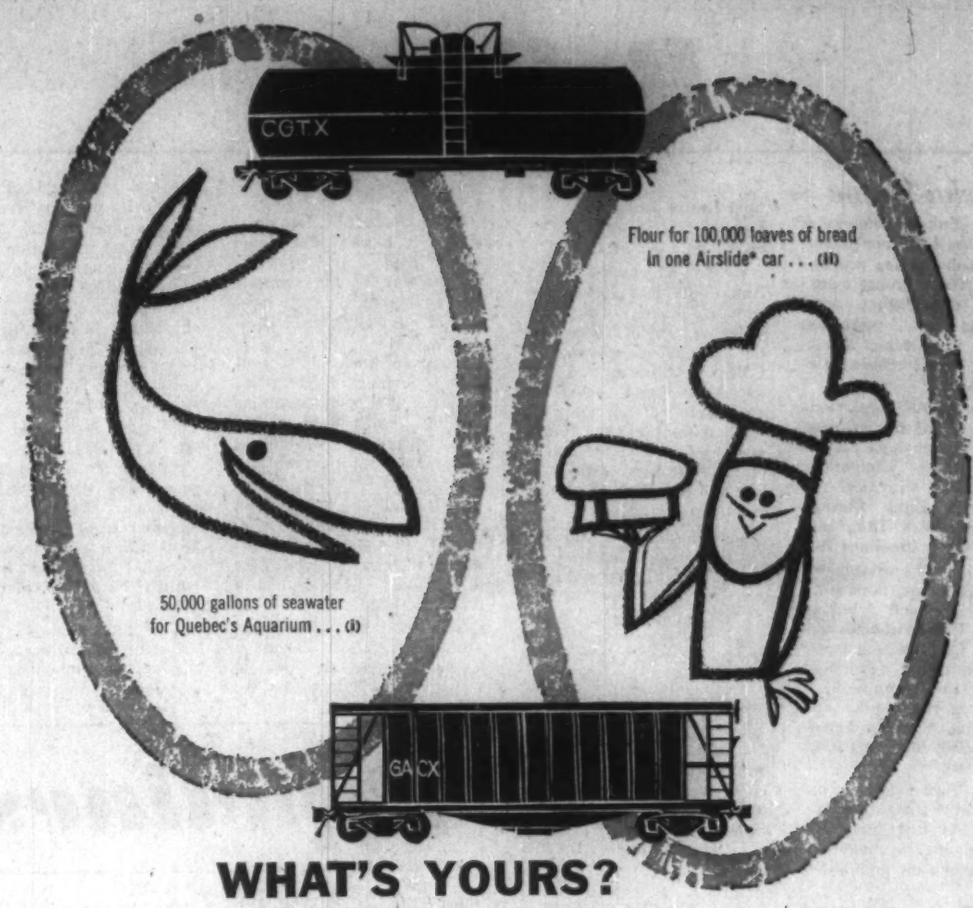
A long-term contract with Petrofina S.A. assures company supplies of crudes from the Middle East, Venezuela and Gulf Coast, for Montreal refining. During 1958 a total of 7,781,764 bbl. was thus delivered.

Despite the reduction in crude oil production and the impact of retail price disturbances, gross operating income amounted to $53,435,196, as compared with $53,383,400 in 1957.

Long-term debt was further reduced by $874,099, leaving a balance of $25,661,901.

Company has reserved 418,176 shares to permit the exercise of the conversion rights attaching to the outstanding 4% convertible sinking fund debentures, series A. Outstanding at Dec. 31, 1958, were 5,966,374 6% noncumulative participating preferred shares and 20,000,000 $1 par ordinary shares.

(Continued on page 81)



WHAT'S YOURS?

Whatever the product you want to ship or store in bulk — you'll find *it pays to plan ahead with Canadian General Transit!*

Leasing CGTX cars for bulk shipment of dry or liquid products is the efficient way to save time, money and worry: whether yours is a one-time shipment or a long-term contract, CGTX looks after service and maintenance, offers you years of experience in all bulk handling problems.

You're assured of safe, hygienic handling of your product — whether it's edible oils or flour, chemicals molasses, acids, jet fuels, sulphur or asphalt. CGTX cars are geared for fast rail services, and their design and construction is as modern as tomorrow.

In addition, you can get negotiable warehouse receipts if your product is kept in CGTX storage; you can buy in bulk, sell in LCL lots. In short — you *are* ahead when you *plan* ahead — with Canadian General Transit!

Ask your local Canadian General Transit man for full details — today.

Thousands of products are moved by bulk rail transportation. Name your problem — CGTX probably has your solution!

CANADIAN GENERAL TRANSIT COMPANY LIMITED

Head Office: Town of Ville St. Pierre, Que.
Mailing Address: P.O. Box 160, Montreal, Que.
In United States General American Transportation Corp., Chicago.

(i) *The fastest, most economical way to get seawater to the Quebec City Aquarium was by CGTX tank car from Rimouski to Quebec.*

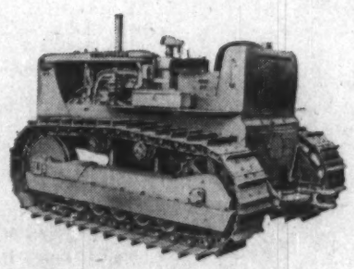
(ii) *Modern Airslide* cars carry 50 tons of flour, can be unloaded by low-pressure air conveyor as fast as your handling systems permit.*

*Reg'd Trade Mark.

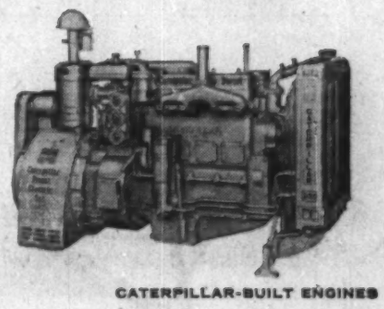
CATERPILLAR

REGISTERED TRADEMARK

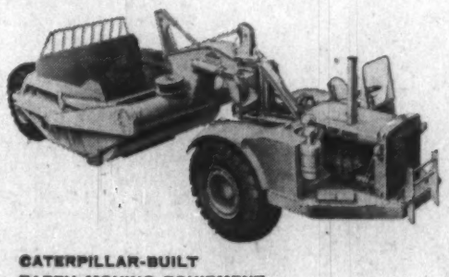
CATERPILLAR HEAVY EQUIPMENT IMMEDIATELY AVAILABLE — THAT'S ANGUS ON-CALL SALES SERVICE!



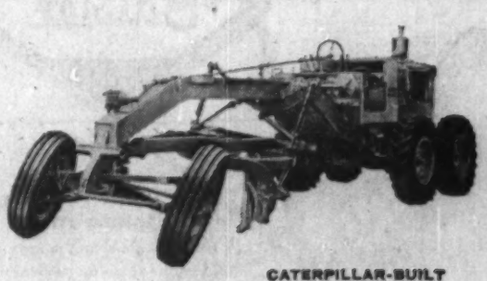
CATERPILLAR-BUILT TRACTORS



CATERPILLAR-BUILT ENGINES



CATERPILLAR-BUILT EARTH MOVING EQUIPMENT



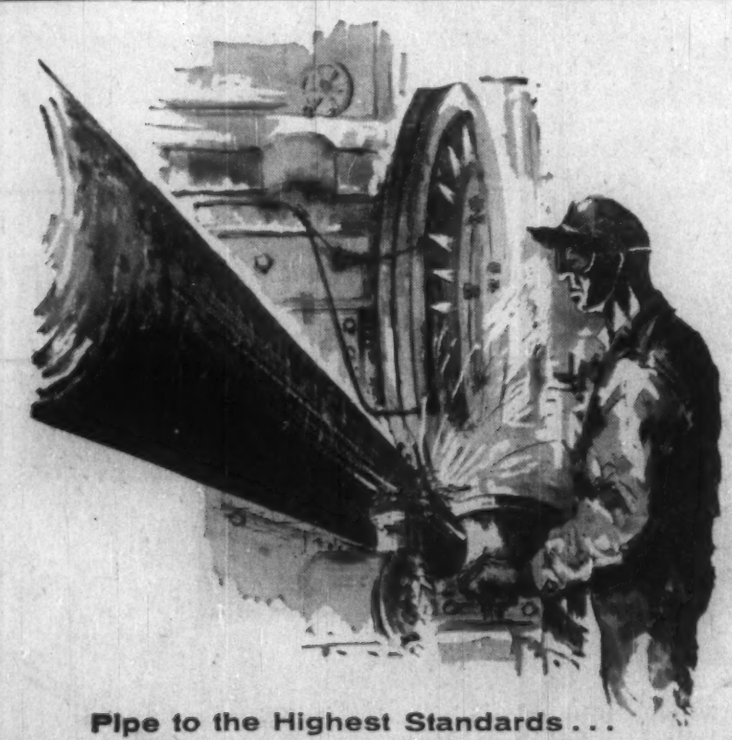
CATERPILLAR-BUILT MOTOR GRADERS

ON-CALL sales service — it's yours, from your Caterpillar Dealer for Northern Alberta, R. Angus. A telephone call puts the machinery you need at your disposal at a moment's notice. R. Angus gives you the same on-call service, too, for parts, servicing and used equipment. And R. Angus mobile workshops are instantly at your service for in-the-field repairs . . . 24 hours a day, seven days a week.

R. ANGUS (ALBERTA) LIMITED

10419 - 96 Street, Edmonton Tel.: GA 4-0354

Sole authorized Dealer for Caterpillar products in Northern Alberta ● Sales Parts & Field Service in Peace River and Grande Prairie



Pipe to the Highest Standards . . .

Prairie Pipe Manufacturing Co. Ltd. is an authorized A.P.I. manufacturer producing steel pipe for oil and gas transmissions, water lines and structural columns.

Size ranges from 3½" to 16" O.D. with wall thicknesses from 0.125 to 0.375 inches. Most sizes and grades are available for immediate shipment from stock.

Prairie Pipe MANUFACTURING COMPANY LTD.

REGINA • CANADA

Branch Office: 202 Empire Building, Calgary

Refiners

(CONTINUED FROM P. 80)

Imperial

Imperial Oil Ltd., Toronto, largest fully integrated oil company in Canada, is engaged in the production, refining and distribution of petroleum and its products.

Refineries are located at Halifax, Montreal, Sarnia, Winnipeg, Regina, Calgary, Edmonton, Vancouver and Norman Wells. They have a total crude oil capacity of 332,350 bbl. per day.

Crude oil production in 1958 averaged 85,557 b/d and totaled 31,228,183 bbl., a decrease of 22% from 1957's 40,029,571 bbl. Ownership of wells at Dec. 31, 1958, amounted to 2,280 oil and 146 gas wells.

Development wells drilled during 1958 totaled 82 of which 73 were in western Canada and nine in eastern Canada. They resulted in nine dry holes, 71 oil wells and one gas well.

Imperial also drilled 52 exploratory wells in western Canada, compared with 91 in 1957. Company made, or participated in, six gas discoveries, the most important of which was in the Wildcat Hills, 40 miles northwest of Calgary. Thirty shallow exploratory wells were drilled in southwestern Ontario, and three deep wells in Prince Edward Island. Further exploratory drilling in New Brunswick is currently in progress.

Net profit for 1958 was $50,620,414 or $1.61 per share, compared with $72,080,930 or $2.29 per share in 1957. Dividends paid remained unchanged at $1.20 per share.

Capital expenditures in 1958 totaled $65,614,087, bringing the company's investment since the 1947 Leduc oil discovery close to the $1 billion mark.

Market value at Dec. 31, 1958, of company's investment in other companies was in excess of $90 million.

Earnings for the first nine months of 1959 are estimated at $37,680,000 or $1.20 per share, compared with $34,327,000 or $1.09 per share for the same period last year.

During the period, net crude oil production was up 9%, refinery run was up more than 10% and sales up more than 8% compared with first nine months 1958. Trend to improved earnings is expected to continue over the balance of 1959.

Company completed a major refinery construction, increasing the Calgary refinery capacity from 8,000 b/d to 14,700 b/d at a cost of $14 million. Another expansion program was completed at the Sarnia refinery, costing $5.5 million.

Other capital expenditure this year included a 650 b/d alkylation unit addition to the Winnipeg refinery, costing $3 million; a $1 million asphalt plant in Edmonton; and an almost completed $3 million powerformer at Regina.

Scheduled for completion in 1960 is a $2,175,000 alkylation unit in Edmonton.

Irving Oil

Irving Oil Company Ltd., Saint John, N.B., a holding and operating company, is a major distributor of petroleum products in the Maritimes, Newfoundland and Quebec.

Company will enter the producing field early next year upon completion of its 40,000 b/d refinery in Saint John, scheduled to come on stream April 1, 1960. Capital investment involved is $50 million, and will place **Irving Refining Co.** subsidiary among the leading gasoline and fuel producers in the Maritimes.

Refinery will be owned by Irving Oil Co. and **Standard Oil of California.** Standard will supply the annual estimated 13.3 million bbl. of crude from Middle East sources.

To make full use of the new refinery, company will intensify its drive for markets in Quebec, now largely along the St. Lawrence. At present Irving has nearly 70% of its sales in the Maritimes.

Net profit for year ended Jan. 31, 1959, was $2,013,823 or $43.79 per share, compared with $1,723,222 or $37.47 per share in fiscal 1957.

At Feb. 1, 1959, outstanding capital was 45,991 common npv shares.

Kodiak

Canadian Kodiak Refineries Ltd., Edmonton, formerly **Excelsior Oil Refineries Ltd.**, began operations after reorganization on March 5, 1959. Company owns and operates a 4,000 b/d refinery at Lloydminster, Alta. It handles its own marketing throughout western Canada.

Kodiak has a 100% interest in 14 oil wells, interests varying from 5% to 50% in 26 additional oil wells, and also manages and operates 24 oil wells in which it owns no interest. All wells are located in the Lloydminster-Blackfoot area, 150 miles east of Edmonton.

Company concentrates on refining asphalts and manufacturing asphalt products. To supply a portion of its power requirements, it wholly owns one gas well and has varying interests in five others. Present refinery throughput is 3,800 b/d.

Pro forma balance sheet at March 31, 1959, showed assets of $4,055,933. Funded debt, in 5% bonds maturing March 31, 1965, was $1,674,300. Outstanding equity capital was 1,251,500 npv common shares.

Kodiak directors estimate gross sales in 1959 should approximate $2,190,000, with earnings of $390,000 or 26c per share. Gross weekly sales during the first three months of operation rose steadily from $17,497 to $58,446 in the week ended June 6, 1959.

North Star

North Star Oil Ltd., Winnipeg, is engaged in the refining and marketing of a wide range of petroleum products in western Canada. Its marketing area extends from the Great Lakes to northeastern British Columbia. Through its subsidiary, **Cree Oil of Canada Ltd.**, company is engaged in exploration and production of crude oil and gas in western Canada.

Company owns and operates a 12,000 b/d refinery and a lubricating oil and grease plant at St. Boniface, Man., and a 2,500 b/d refinery at Grande Prairie, Alta. Four additional storage bullets of 700 bbl. each and a propane cylinder loading plant were completed during 1959 at $85,000 cost. Expansion of both refineries is currently envisaged.

Sales increased by 14.4% over 1957 to reach 172.6 million gal. in 1958. During the year, 14 new company-owned stations were opened, bringing the total to 206. In addition company serves 881 dealer-owned stations.

A dozen bulk plants were consolidated into larger units. By the year-end company had 351 such plants. New plants and outlets are under construction.

The St. Boniface refinery operated at rated capacity and throughput increased from 1957's 3.9 million bbl. to over four million bbl. A 2,700-b/d reforming unit costing $1.3 million was added to the refinery. The 2,500-b/d Grande Prairie refinery, which came on stream in 1957, processed 403,991 bbl. in 1958.

Capital spending in 1958 totaled $3.8 million and $1.5 million during the first half of 1959. Through acquisition of Cree Oil of Canada Ltd., company was able to enter into exploration and production. The transaction brought total investment in Cree to $8,997,268.

At year-end Cree and North Star had developed net recoverable oil reserves of 3.37 million bbl. with an additional 1.4 million bbl. undeveloped.

Developed net recoverable gas reserves totaled 32.5 billion cu. ft. with an additional 14.3 billion cu. ft. yet to be developed. North Star and Cree completed 14 oil and two gas wells during the first half of this year.

Cree's total oil income in 1958 was $472,061, double the previous year's. No significant income from gas is expected before 1960.

Net revenues from crude oil sales, after royalties and lifting costs, are expected to attain an annual rate of $1 million by the end of this year.

Net profit of $2,342,451 in 1958 was 10.3% higher than in 1957. Profit in the first half of 1959 totaled $1,279,236, up 20.1% over the first half of 1958, or 89c on each of the Class A and B shares outstanding at mid-year. Dividend paid was 60c.

Outstanding at Dec. 31, 1958, were 116,000 preferred shares, $50 par; 386,028 npv Class A shares; and 864,654 npv common shares. Funded debt was $26,847,500.

Royalite

Royalite Oil Co., Calgary, is engaged in the exploration, production, refining and marketing of crude petroleum and petroleum products.

Company and its wholly owned subsidiaries have refineries at Kamloops, B.C., Coleville, Prince Albert and Saskatoon, Sask. Their combined capacity is 19,000 b/d.

Crude capacity of the Saskatoon refinery was increased from 6,500 b/d to 8,000 b/d at cost of $100,000. Operations at the 5,000 b/d Prince Albert plant and the 1,000 Prince Albert plant, both in Saskatchewan, were suspended during the year.

Company had a net loss of $1,635,285 for the year ended Dec. 31, 1958. In 1957 it had a net profit of $669,828.

Operating revenue in 1958 was $29,233,523 compared with $30,516,001 in 1957.

Natural gas sales for 1958 amounted to 22,414,795 mcf, and net production totaled 1,792,494 bbl. of crude oil, 363,946 bbl. of natural gasoline, 5.6 million gal. of propane and almost 10,000 tons of sulphur.

Refineries owned and operated by Royalite or its subsidiaries processed 4.2 million bbl. of crude in 1958 (3.9 million in 1957).

Company enlarged marketing division with 47 new outlets in 1958. At Dec. 31, 1958, total number of retail and bulk stations was 596.

Royalite participated in the drilling of 10 exploratory wells and 12 development wells, of which three were completed as oil and four as gas wells, including one major gas discovery in central Alberta Foothills. At year end Royalite owned 259 net oil wells and 83 net gas wells.

Proven reserves were estimated at 33.2 million bbl. of crude oil and condensate, 10.5 million bbl. of natural gas liquids and 291.8 million cu. ft. of natural gas.

For seven months ended July 31, 1959, profits increased $740,000 over the same 1958 period. Sales of gasoline, diesel fuels and heating oils increased 8%. Refinery throughput rose to 9,066 b/d, up from 8,577 b/d the year before.

Operations are expected to continue at higher level, according to president Charles Hay.

Royalite has sold 60% of its quarter interest in 1.3 million acres in the central Alberta Foothills to **Mobil Oil of Canada Ltd.** for a consideration of $2.5 million cash and a 50% interest in 36 oil wells in southeastern Saskatchewan. In addition, Mobil Oil will undertake certain exploration and development costs on the interest Royalite retains in the Foothills reservations.

Sale of company's oil and gas producing properties in the Coleville, Sask., field was completed. Total price received from **General American Oil Ltd.** was $2 million.

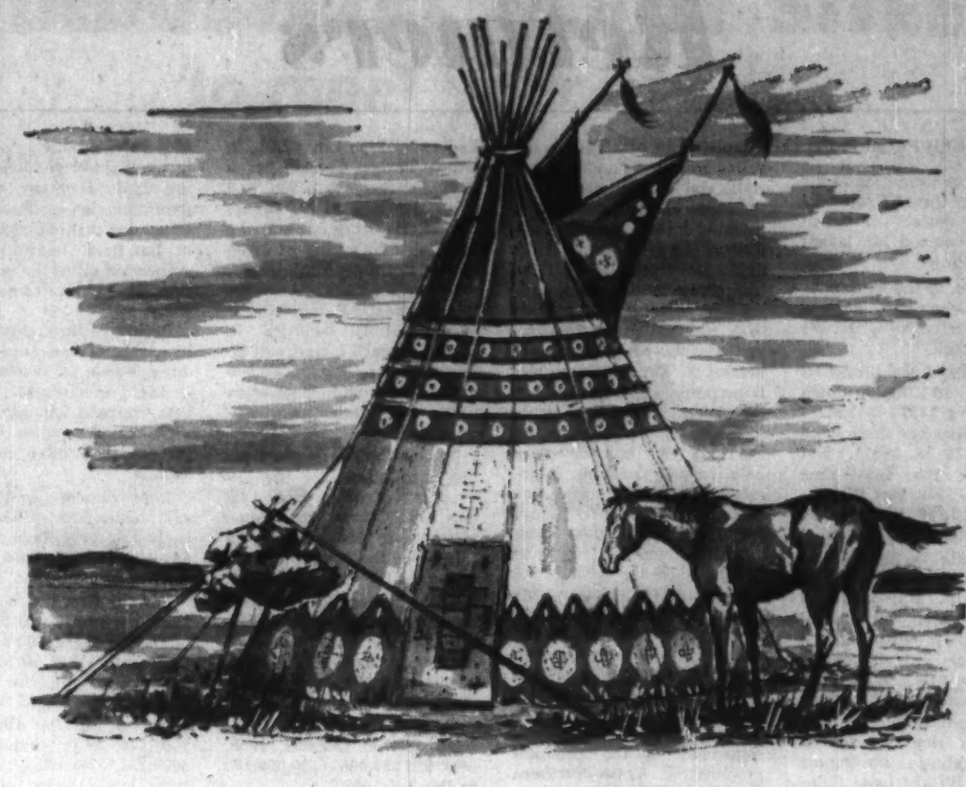
Through the sales Royalite's working capital has risen $6.2 million, enabling it to increase participation in other areas.

Cities Service Co. and **Richfield Oil Corp.** joined Royalite in the fall of this year in the investigation of the bituminous sands in northern Alberta.

Texaco Cda.

Texaco Canada Ltd., Montreal, formerly **McColl-Frontenac Oil Co.**, is a fully integrated oil company with producing interests in western Canada. It operates refineries in Montreal, Edmon-

(Continued on page 82)



The West has a past . . .
and a future too!

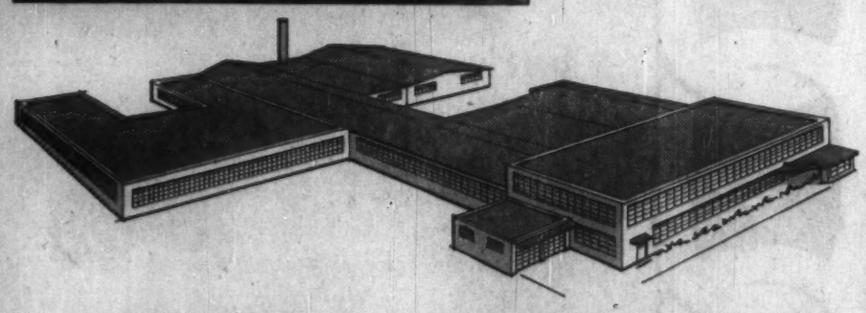
Long before the first Indian pitched his tepee on the western plains, nature had laid her plans for Canada's future security. For you, she locked in her deposit box an unlimited store of a substance to be more valuable than gold . . . a fortune in oil and natural gas. Today the keys have been found to unlock this treasure chest, and as more and more of this wealth is brought to the surface, so grows the Canadian economy . . . and our future prosperity.

Helping to Build the Great West of Tomorrow

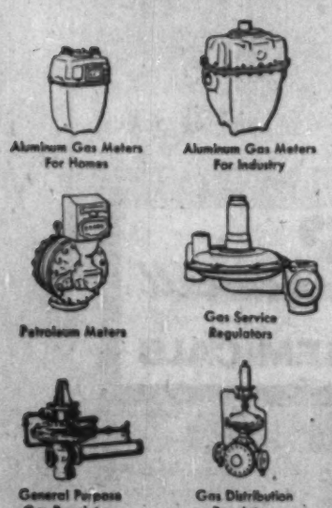
CANADIAN CHIEFTAIN PETROLEUMS LTD.

Head Office: 8631 - 109 Street, Edmonton, Alta. LISTED ON THE TORONTO STOCK EXCHANGE

Rockwell's Plant at Guelph, Ontario



Making Meters and Regulators for the Growing Gas and Oil Industries



With modern manufacturing facilities plus a Dominion-wide sales and service organization Rockwell is firmly rooted in Canadian soil. Our plant in Guelph is in full production on a wide line of equipment for measurement and control. Our huge investment is based on confidence in the future—our way to say "thank you" to the gas utilities and oil companies we are privileged to serve. Rockwell Manufacturing Company of Canada, Ltd., Guelph, Ontario.

METERS AND REGULATORS
another fine product by
ROCKWELL

RC-5911

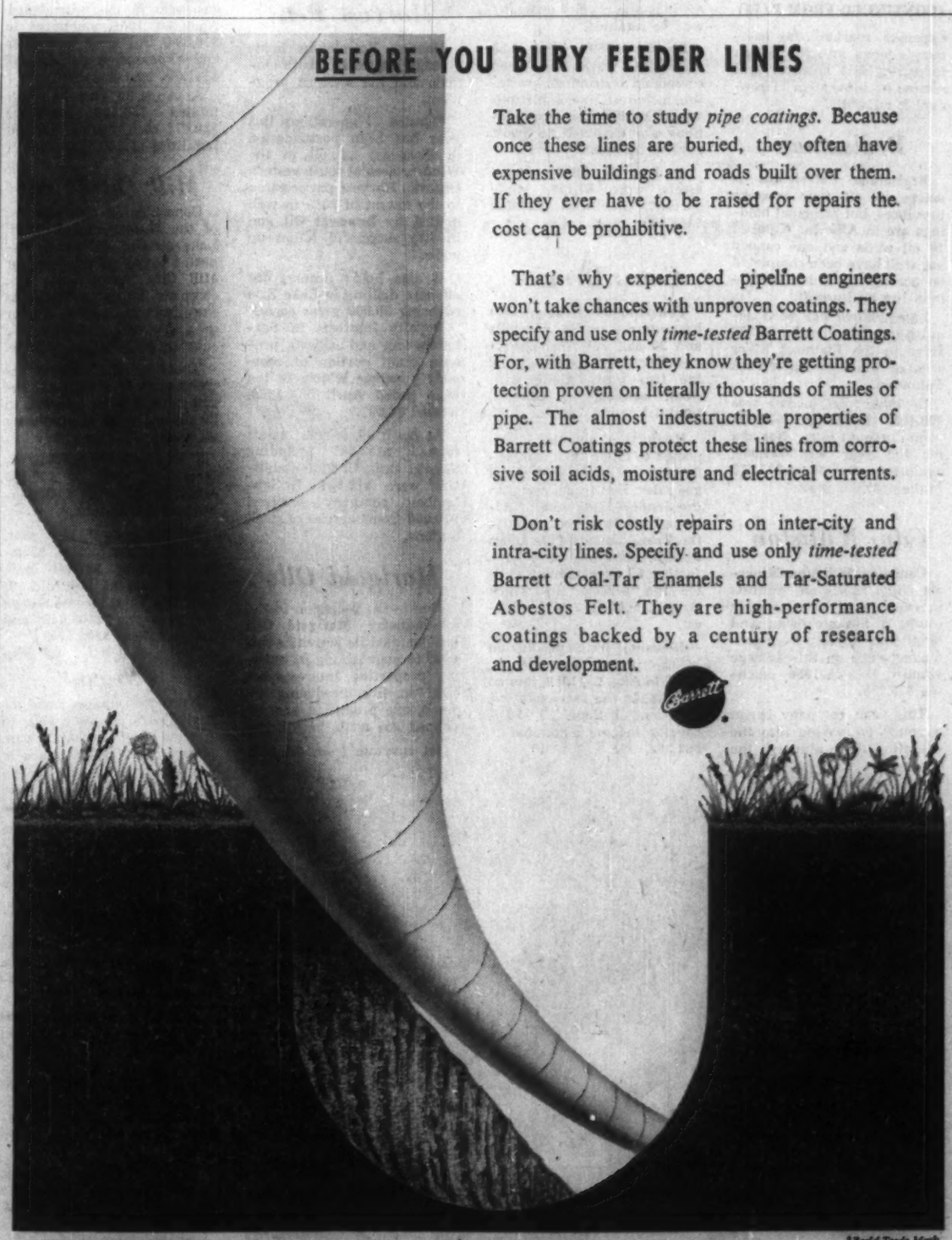
BEFORE YOU BURY FEEDER LINES

Take the time to study *pipe coatings*. Because once these lines are buried, they often have expensive buildings and roads built over them. If they ever have to be raised for repairs the cost can be prohibitive.

That's why experienced pipeline engineers won't take chances with unproven coatings. They specify and use only *time-tested* Barrett Coatings. For, with Barrett, they know they're getting protection proven on literally thousands of miles of pipe. The almost indestructible properties of Barrett Coatings protect these lines from corrosive soil acids, moisture and electrical currents.

Don't risk costly repairs on inter-city and intra-city lines. Specify and use only *time-tested* Barrett Coal-Tar Enamels and Tar-Saturated Asbestos Felt. They are high-performance coatings backed by a century of research and development.

Barrett



*Reg'd Trade Mark

Allied Chemical

ALLIED CHEMICAL CANADA, LTD.
BARRETT PRODUCTS
HEAD OFFICE: 1450 CITY COUNCILLORS STREET, MONTREAL 2, QUE.
Providing you with the combined services, skills and experience of
BARRETT BRUNNER MOND NATIONAL ANILINE NICHOLS SEMET-SOLVAY

Offices in:—
SAINT JOHN, N.B. MONTREAL
TORONTO WINNIPEG
EDMONTON VANCOUVER

Refiners

(CONTINUED FROM P. 81)

ton and Port Credit, and sells its products through some 4,500 retail outlets, of which 1,000 are owned or leased service stations.

Texas Co. of the U. S. controls the company, holding approximately 65% of the common stock.

Consolidated net profit for 1958 was $9,427,929, down 32.3% from 1957's $13,929,678. Earnings per share were $2.86 ($4.25 in 1957). Net profit for the first nine months of 1959 was $7,499,000 ($7,119,650 in 1958) or $2.28 per share ($2.16).

Net crude oil production amounted to 1,375,365 bbl., down 32.1%. But crude oil production and sales "continued to show substantial increases over 1958" during the first half of this year, according to President A. N. Lilley.

Severe proration of Alberta production sharply reduced well allowables in the Bonnie Glen and Wizard Lake fields which more than offset production from wells completed in other areas.

Of 14 wells drilled in 1958 in the Swan Hills acreage (owned 50%), all but one were successful oil producers. At year-end, seven more wells were being drilled.

In addition, company drilled for its sole account two oil wells and one dry hole in the Pembina area, and one well on wholly owned acreage in Swan Hills.

Participation in 19 wells completed in other areas resulted in five oil and two gas wells and 12 dry holes.

Texaco Canada acquired a working interest in 1,600 additional acres in Swan Hills, exploratory permits on 146,000 acres in Saskatchewan, royalty interests in 92,000-acre reservation in Alberta, and a 33,000-acre natural gas license in British Columbia. It surrendered its interests in reservations and leases totaling some 2.5 million acres. At the 1958 year-end, company held varying working interests in approximately one million acres, royalty interests in some 3.8 million acres, and bituminous sand rights on about 0.5 million acres.

Company had working interests in 75 net wells and royalty interests in 175 net wells. Proved net reserves of crude oil and natural gas liquids totaled 81 million bbl. at Dec. 31, 1958.

Port Credit refinery was connected to the products pipeline of **Trans-Northern Pipe Line Co.**, 33.3% owned, which extends from Montreal to Toronto, Hamilton and Ottawa, and has a capacity of 65,000 b/d. The Portland-Montreal pipeline system, which is 18% owned, moved 78 million bbl. of crude oil last year.

Capital expenditures totaling $11.5 million included completion of a 10,000 b/d catalytic desulphurization unit at Montreal. A 126-mile crude oil pipeline from Swan Hills to Edmonton was completed in November by **Federated Pipe Lines Ltd.**, in which Texaco Canada has a 50% interest. A 2,200 b/d alkylation unit at the Montreal East refinery will be completed in spring of 1960. **Regent Refining**, a subsidiary, will install a 5,400 b/d catalytic reformer at Port Credit.

Distribution facilities in Prince Edward Island will be improved by a $500,000 marine terminal in Charlottetown, now under construction.

Texaco Canada is completing negotiations for the acquisition of **John Heney & Son Ltd.**, Ottawa, to become effective in 1960. Heney is said to be the largest fuel oil dealer in the Ottawa Valley.

The rated crude oil capacity of company's three refineries was at 1958 year-end: Montreal 59,000, Edmonton 12,000 and Port Credit 20,000 b/d.

Consolidated long-term debt at Dec. 31, 1958, was $26,839,000 ($29,068,500 at Dec. 31, 1957).

Outstanding were 40,000 shares of 4% cumulative preferred stock, $100 par, and 3,238,453 npv common shares.

WainwrightProd.

Wainwright Producers & Refiners Ltd., Toronto, a subsidiary of **American Northland Oil Co.**, owns and operates a refinery at Wainwright, Alta., with a daily capacity of 4,000 bbl.

At Dec. 31, 1958, company held interests of 25% and 50% in 77 producing oil wells in the Wainwright field. During 1959, company and its parent carried out most of the scheduled drilling of 24 wells in that field. It also has one suspended oil well and a 50% interest in six capped gas wells.

Refinery throughput was in excess of one million bbl. during 1958, 7.5% more than in the previous year. Products range from asphalt to high-octane gasoline. Largest increase in output occurred in asphalt.

Improvements in the refinery made late in 1958 and early this year have allowed an increase in asphalt production of more than 50%.

For the first six months of 1959, net profit was $122,914 or 15c per share, 300% higher than in the 1958 period. Operating revenue for 1959's first half was $2,185,203.

Net profit for 1958 was $508,276, 25.3% under 1957's $680,251. Decrease resulted from lower price on heavy fuel sold to company's large railway customer.

To improve its working capital, company arranged early in 1959 for a loan from the Alberta government, to which it will pledge $320,000 convertible 10-year bonds, Series B, of the newly created $650,000 6% first mortgage, due February, 1969.

Outstanding are 806,578 shares, $1 par, of which American Northland Oil holds 475,000 shares. No dividends were paid in 1958.

Producers

(CONTINUED FROM P. 73)

expenses sparked the company's move into the potash industry. Bata, however, still retains its interest in 17 producing oil wells.

Bralsaman

Bralsaman Petroleums is active in all four western provinces, but principal holdings are in Alberta. Total of 10 oil wells and one capped gas well have been completed on acreage in which Bralsaman has an interest.

Latest move has been acquisition of interest in 82,500 acres in the Flathead River area of southeastern British Columbia.

In 1958, total income was $90,405 including $34,722 from crude oil sales. Net loss for the year was $29,965, against a net profit of $27,678 in the previous year.

Cdn. Williston

Canadian Williston Minerals holds rights on interests in over 1.4 million acres in southern Saskatchewan and Manitoba. Royalty from producing wells on this acreage climbed 35% in 1958, reaching $75,975.

This year, company began a policy of moving into the operating field, although the motives of a royalty company will be retained.

By May, 1959, a total of 58 successful wells had been completed on company acreage, including six completions scored in 1959. New completions are expected to boost royalty income.

At Dec. 31, 1958, current assets were $7,156, while current liabilities totaled $411,285.

Cons. Dragon

Consolidated Dragon Oils has interests in 16 oil wells and 20 gas wells in Alberta and Texas. Land holdings in the two areas, along with small acreage in Ontario, total 1.3 million acres.

Production revenue is expected to climb this year, reflecting the impact of natural gas sales. Eleven gas wells in the Jenner-Atlee area of Alberta have been connected to the **Trans Canada Pipe Lines** system. Locations exist for a further 50 development wells on the acreage in which Dragon holds a 2.44% interest.

Revenue from production in the period from Oct. 1, 1958, to Aug. 25, 1959, totaled $38,126. In the previous fiscal year ended Sept. 30, 1958, royalty income amounted to $62,392.

Harvest Pet.

Harvest Petroleums holds acreage interests in both Ontario and the western provinces.

Feature of operations this year has been participation in discovery of oil in the Windsor area of southwestern Ontario. Harvest participated to the extent of 25% in well drilled by **Imperial Oil** and in two successful follow-up wells.

It also holds licenses for offshore drilling in Lake Erie covering 30,000 gross acres.

Royalty interests in Saskatchewan and Alberta provide small portion of company's income which, in the year ended April 30, 1959, totaled $2,697.

At April 30, current assets totaled $153,941 including $20,467 cash. Current liabilities were $12,854. In September, company received $70,000 from exercise of stock options.

Marigold Oils

Due to the recession in the oil industry, **Marigold Oils** has confined its activities this year to maintaining its existing properties. Interests are held in five producing oil wells, one producing and six capped gas wells in Alberta.

Net revenue from oil and gas sales in the year ended April 30, 1959, amounted to $16,894. But after write-offs and expenses, a net loss of $141,001 was sustained.

At April 30, current assets totaled $50,598 including $20,671 cash, against current liabilities of $10,092.

Mill City Pet.

Concentrated development in the Hussar and Bellshill Lake area of Alberta is expected to pay off this year for **Mill City Petroleums**. The company hopes to start gas sales from wells in the Hussar area this year and expects a substantial boost to income.

These will be the first gas wells to go on stream for the company. It holds interests in 20 gas wells and 61 producing oil wells.

Company holds varying interests in total of 105,905 acres in Alberta, Saskatchewan and Manitoba.

At the end of last year, current assets totaled $228,339 including $27,441 cash, against current liabilities of $437,158. Total income during the year was $309,642, and net profit was $105,774.

Nuco

Nuco Petroleums owns or participates in 73 oil wells in Alberta and Saskatchewan. Majority of the wells are in the Wainwright and Lloydminster areas of Alberta where company has done some drilling on its own.

Nuco also operates a dehydrating and desalting plant at Lloydminster.

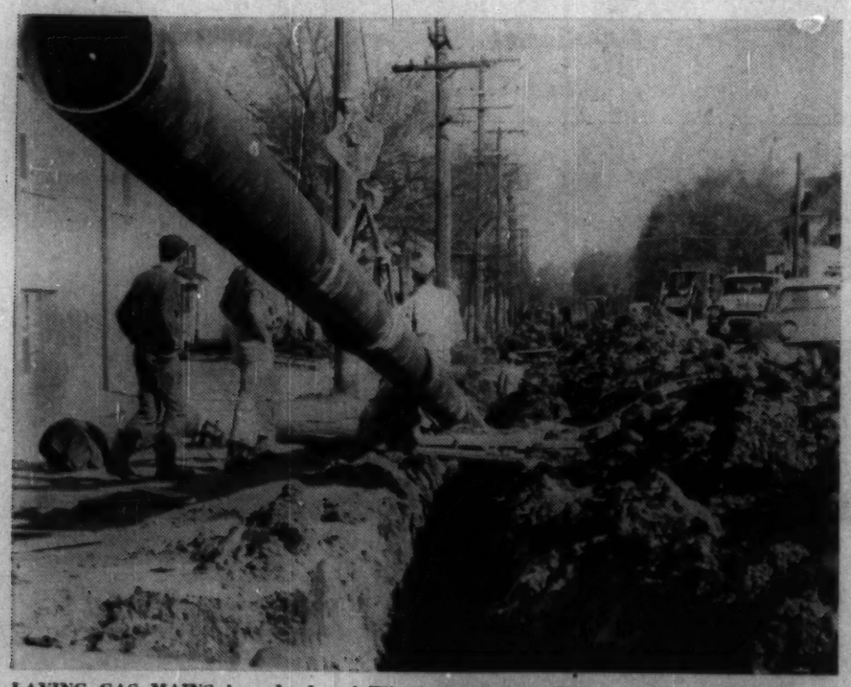
Submarine

Submarine Oil & Gas has restricted its operations to the oil and gas potential of southwestern Ontario.

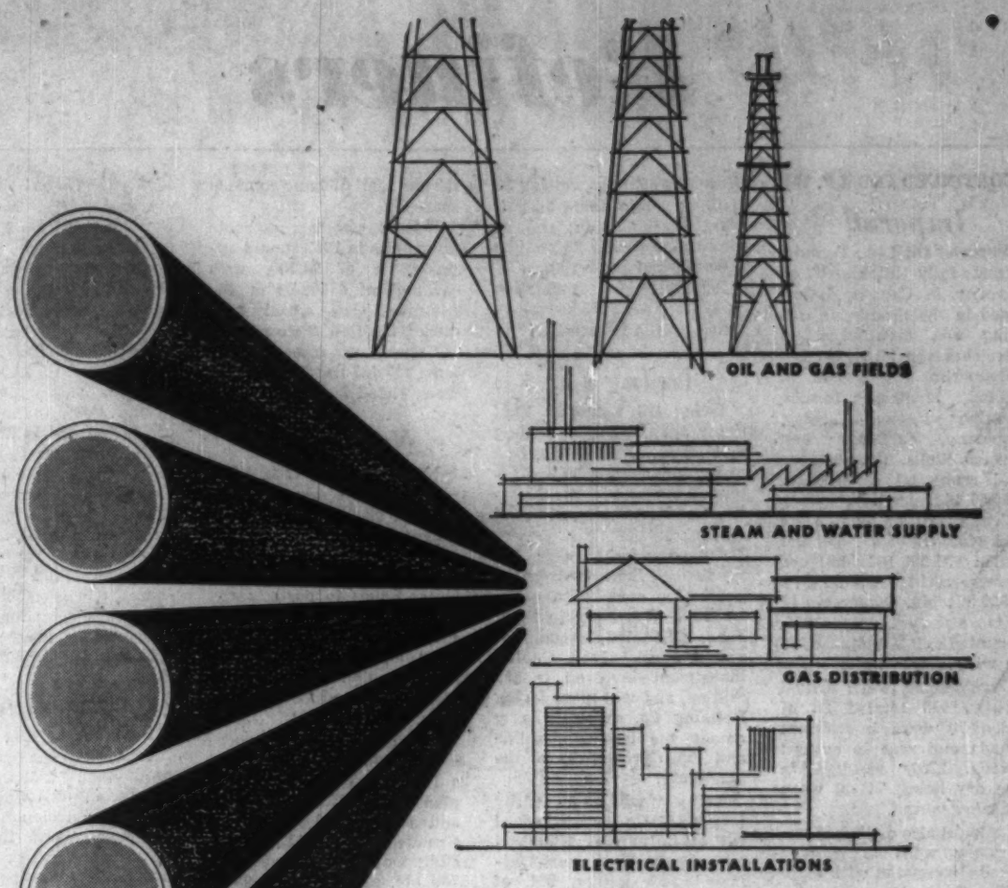
Highlight of operations this year has been participation in an oil discovery in the Windsor area. Submarine had a 25% interest in a well drilled by **Imperial Oil** in Colchester township. Two successful follow-ups have since been drilled.

On its offshore acreage Submarine has completed eight wells of which two are commercial producers. However, company has arranged for a gathering system and has a sales contract which became effective this year.

One well was still drilling at the end of September. Further drilling is planned on this acreage. Recoverable reserves are estimated at 3 billion cu. ft.



LAYING GAS MAINS in suburbs of Winnipeg. Greater Winnipeg Gas is in big expansion phase.

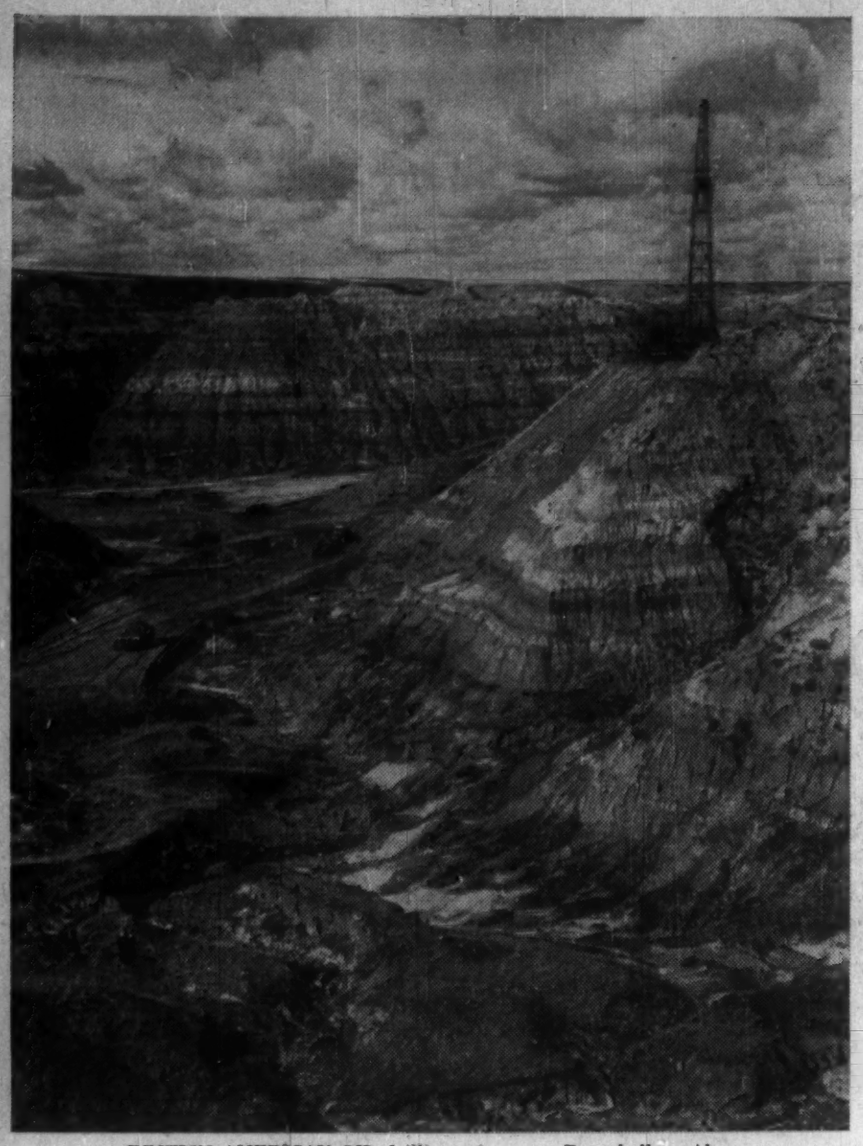


Canadian-made
oil country goods,
merchant pipe and
rigid conduit
in sizes ½" - 4½" O.D.
of unvarying fine quality.

CANADIAN WESTERN PIPE MILLS LIMITED
VANCOUVER - PORT MOODY, BRITISH COLUMBIA, CANADA
TEL: WEbster 9-1131, CABLES: PIPEMILLS • BRANCH: CALGARY, ALBERTA, TEL: AMherst 2-9389

9-178

Drilling Companies



BRITISH AMERICAN OIL drilling rig near Drumheller, Alta.

Gen. Pet. Drilling

General Petroleums Drilling Co. was formed early this year to acquire the drilling assets of the former **General Petroleums of Canada Ltd.**

The company is engaged in contract drilling in Western Canada. It owns 20 rigs, some of which are capable of drilling to depths of 12,000 ft.

Contract drilling operations of the predecessor company slumped to 172 completed drill contracts in 1958, from the record level of 220 contracts in 1957.

Belaro Ltd. is a wholly owned subsidiary operating heavy hauling equipment in oilfields.

At April 1, 1959, a balance sheet showed current assets of $1,164,972, against current liabilities of $1,724,072, including a bank loan and overdraft of $863,642.

Outstanding capital stock comprises 750,537 Class A shares and 400,000 ordinary shares, all issued in exchange on a share-for-share basis for the like classes in the former **General Petroleums of Canada.** Authorized capital is one million shares for both classes.

Parker

Parker Drilling Co. of Canada, Calgary, a major contract drilling company, owns and operates 12 fully equipped drilling rigs. Operations are carried on from the Yukon Territory, north of the Arctic Circle to southeastern Saskatchewan.

Company's drilling rigs had an activity rate of 62% during the year ended April 30, 1959, compared with a 56% rate in the industry. Seventy contracts were completed for a total of 489,948 feet of hole.

Lack of adequate markets for the oil and gas already developed, held number of wells drilled to a minimum, President C. A. Nabors reported.

During the 1958-59 fiscal year, $590,501 was spent on capital equipment, mainly for replacing and re-equipping one rig. Smaller capital expenditures are planned for the 1959-60 fiscal year.

Company has been paying dividends since 1952, with an indicated current rate of 25c per share annually.

Hi-Tower

Hi-Tower Drilling Co., Calgary, is a contract driller of oil and gas wells. It owns nine modern rigs capable of drilling from 4,500 ft. to 10,000 ft.

In the fiscal year ended Feb. 28, 1959, earnings amounted to $188,168, an increase of 23% over preceding year's $152,805. Net profit per share was $1.30 ($1.05).

Company drilled 72 wells during the year for a total of 442,122 ft., compared with 74 wells (443,553 ft.) the year before.

Hi-Tower has a 12.16% interest in land in the North Virden field, Man., on which there are three producing oil wells.

Charterhouse Securities, Toronto, on behalf of **Charterhouse Canada Ltd.** and other shareholders of **Seaman Engineering & Drilling Co.,** Calgary, has offered to buy at least 50% and not more than 70% of Hi-Tower's 145,000 outstanding shares at $12 per share.

The offer will probably remain open until Dec. 14, 1959. Directors of Hi-Tower have recommended its acceptance by shareholders, Charterhouse reports.

Spotlight On Gas

(CONTINUED FROM P. 67)

has been disappointing. But the picture has brightened substantially in recent months even in the case of the slower moving firms.

With gas making sharp inroads into the residential heating markets in new suburban areas in certain B. C., Ontario and Quebec cities at least one major oil firm is fighting back to hold its place in this aggressive sales drive. **Imperial Oil** is offering second mortgages of up to $1,200 to homeowners who install oil heating and contract to use their fuel oil. This unique offer is being made in Vancouver, Winnipeg and Montreal areas with Ontario cities believed next in line. But now two gas utilities—**B. C. Electric Co.** and Quebec Natural Gas — are fighting back with second-mortgage arrangements of their own.

According to a recently released Dominion Bureau of Statistics report gas is now the principal heat in 627,000 Canadian homes—or 14.6% of all homes in this country. This means it has surpassed wood and vitually drawn abreast of coal- and coke-heated dwellings (691,000 at May, 1959). Oil still leads heating 54.3% of all homes.

Natural gas is now accounting for approximately 5% of the total Canadian energy requirements; oil, 43%; electricity 8%; coal 38% and wood 6%. By 1980 authoritative forecasts place gas's portion of an over-all tripled energy requirement at 25% (oil, 45%, electricity 11%, coal 16%, wood 1% and nuclear 2%).

Disposal Unit Cuts Costs

(CONTINUED FROM P. 50)

creased 106.4% and cost of garbage removal, 165.4%. The trend was duplicated in every other community which provided a garbage collection service.

In Yorkton cost of garbage removal and disposal has also been increasing faster than either population or tax mill rate.

In the last 10 years it has grown from $10,443 in 1949 to $26,696 in 1958.

The Saskatoon council was confronted with the prospect of buying new garbage collection equipment to match population growth. It estimated that the present sanitary landfill area would be exhausted in five years, requiring purchase of a new site, probably more costlier haul for the garbage trucks. The alternative was to build a large, expensive incinerator.

Regina, with a 1950 population of 69,174, paid $2 per capita for garbage pick-up and disposal.

In 1958 with a population of 100,000 the cost was $399,485, nearly $4 per capita.

INDUSTRIAL PLANT SITES
to meet your needs

GREATEST CHOICE OF LOCATIONS IN CANADA'S GREATEST COMMERCIAL ZONE

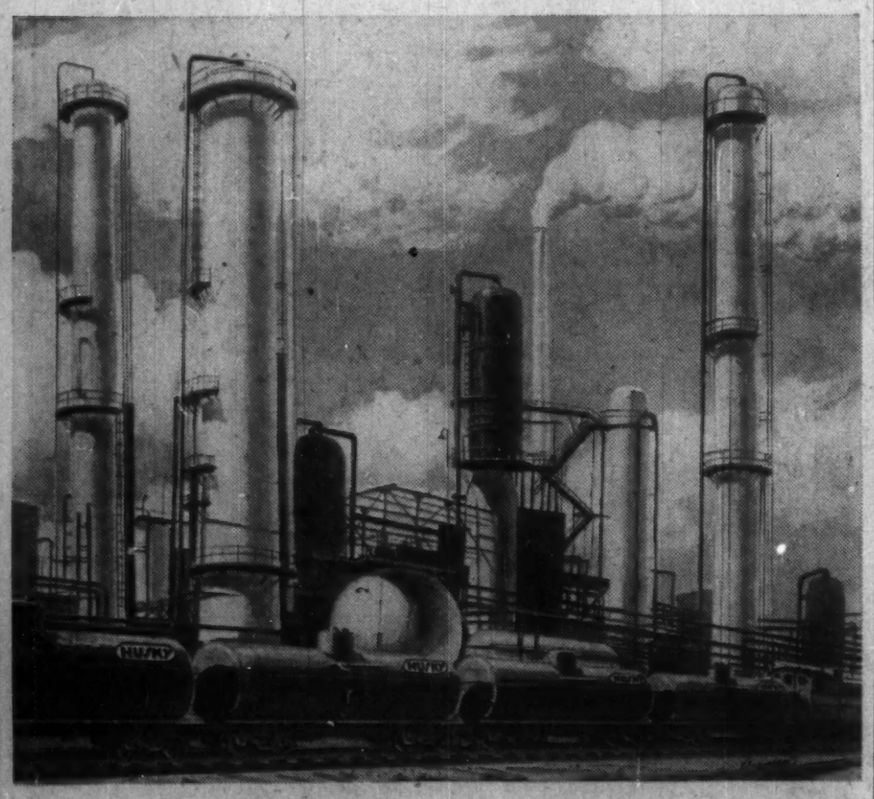
- **CITY . . . TOWN . . . VILLAGE . . . COUNTRY . . .** whatever size and type of community you prefer is to be found in this rich area.
- **WATER . . . RAIL . . . TRUCK . . . AIR TRANSPORTATION** are at, or near, every community.
- **SKILLED . . . SEMI-SKILLED . . . UNSKILLED LABOR** is available at fair rates. Naturally wages vary with the size and location of the community. Canadian labor is steady-going and easy to get along with; it has stability and contentment.
- **NATURAL GAS . . . ELECTRICITY . . . OIL . . . COAL** are all to hand for power and fuel at reasonable rates.
- **DRYNESS . . . DAMPNESS . . . SANDY . . . CLAY . . . ROCKY** here is your choice of climate and soil with all that implies of water and other natural resources.
- **SOPHISTICATED . . . SIMPLE . . . SPORTING . . . LEISURELY** interests, all can find expression.
- **EVERYWHERE THERE IS THE SENSE OF GROWTH** and achievement . . . of a bustling, active country "going places".

COME ALONG AND "GO PLACES" WITH CANADA

For information on industrial sites and opportunities in these areas, visit or write

Industrial Development Division, Head Office, 19 Toronto St., Toronto 1, Ont., Canada

Consumers' Gas



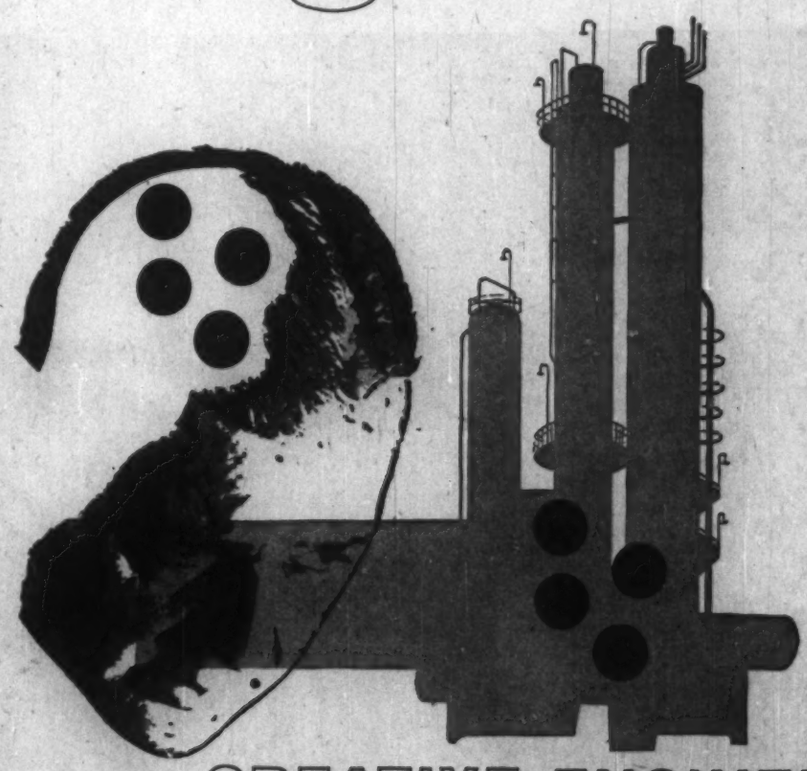
RAILWAY TO DRIVEWAY . . . *a consuming story*

Effectively merchandising petroleum products means "Selling The Whole Barrel." Husky is doing exactly that. From premium grade gasoline through high-standard lubricants to asphalt-mixes — Husky is selling the whole barrel. Aggressively merchandising full production from refinery railhead to the motorist's drive-way.

Canadian Husky, a consuming story of integrated development.

Canadian **HUSKY** *Oil Ltd.*

intangibles were never so **important**



CREATIVE ENGINEERING

High on the list of intangibles included in Procon construction service is what may well be termed "creative engineering". Covering every detail of the design and engineering of all processing units and auxiliary equipment, it is provided by an unusually well-organized, closely knit team of engineers and draftsmen. As a result, a Procon-built plant can be depended upon to perform with precision—to extract from every barrel of feed stock every last drop of finished product and every last penny of profit.

PROCON

PROCON (Canada) Limited

45 ADVANCE ROAD, TORONTO 18, ONTARIO, CANADA

PROCON INCORPORATED, DES PLAINES, ILLINOIS, U.S.A.

PROCON (GREAT BRITAIN) LIMITED, LONDON, W. C. 2, ENGLAND

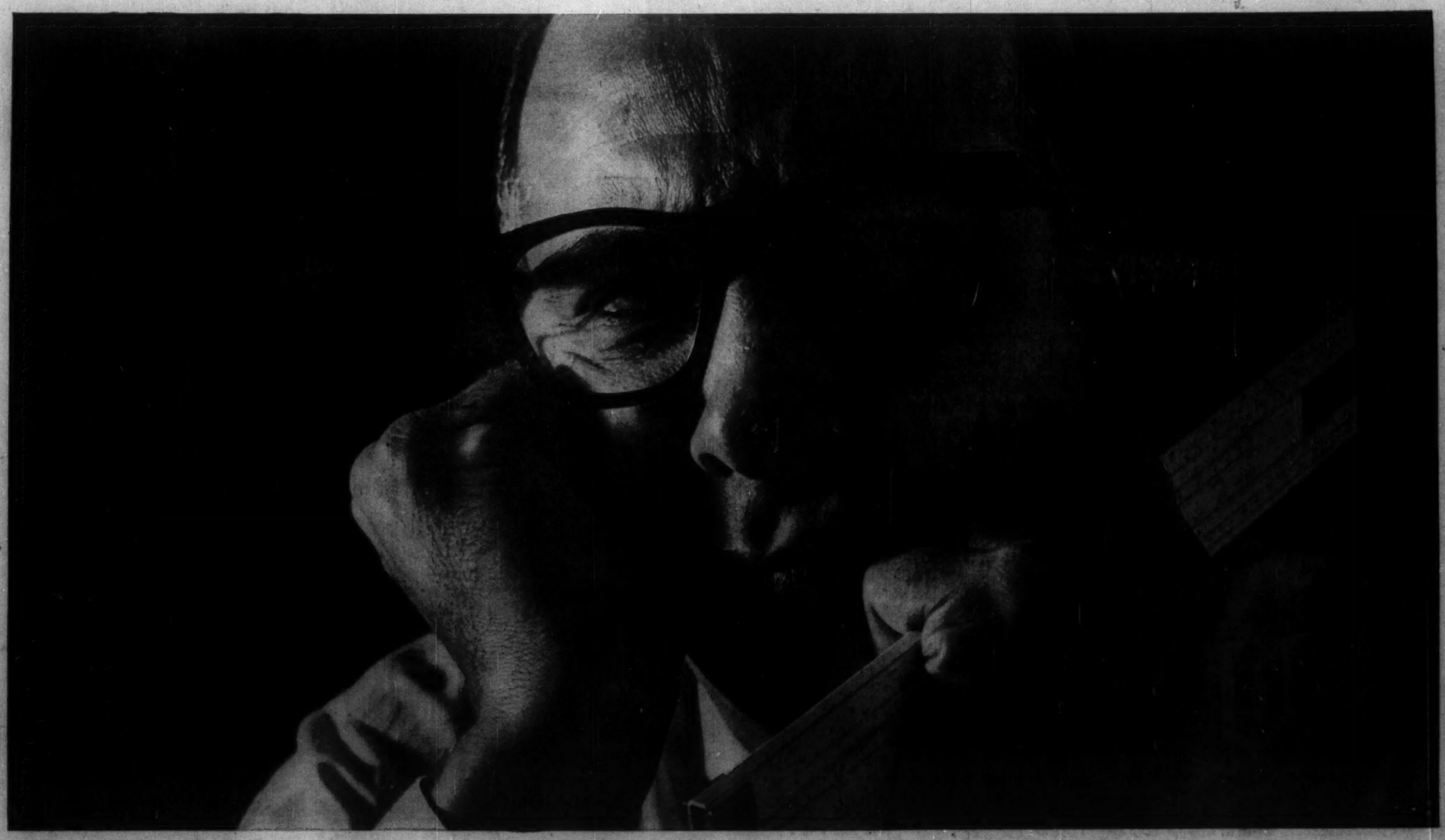
PROCON INTERNATIONAL S. A., GENEVA 20 SUISSE

WORLD-WIDE CONSTRUCTION FOR THE PETROLEUM, PETROCHEMICAL, AND CHEMICAL INDUSTRIES

You can't find the final answer on a slide rule

When you purchase gas-treating chemicals from Dow, the value of the extra benefits you receive defies exact computation . . . by slide rule or otherwise. Consider, for example, the uniform high quality and dependable performance record of Dow Ethanolamines and Glycols, used in Canada's major gas processing plants. Then, there's the swift, efficient delivery that all Dow customers can expect, regardless of location . . . or the able technical assistance from Dow representatives in the field. These extra benefits may never show up on a slide rule, but each is a good reason why you should look to Dow for your gas-treating chemical requirements.

For further information, contact your nearest Dow sales office.

DOW CHEMICALS AT WORK

DOW CHEMICAL OF CANADA, LIMITED • VANCOUVER • CALGARY • WINNIPEG • SARNIA • TORONTO • MONTREAL • SAINT JOHN